

SBA 504 LOAN PROCESSING FEE AGREEMENT

The undersigned applicant (the "Applicant") has on this date made formal application to the SEDA-COG Local Development Corporation ("SEDA-COG") for a Small Business Administration (SBA) 504 loan, and in conjunction therewith agrees as follows:

1. The Applicant acknowledges that SEDA-COG charges a one-time processing fee, which amounts to one and one-half percent (1½%) of the net debenture proceeds being requested. Two-thirds of the loan processing fee shall be deemed earned, and may be collected by SEDA-COG when the Debenture Authorization is issued by the SBA. The remainder of the fee shall be deemed earned when the loan is closed. SEDA-COG may, at its discretion, collect the fee when earned or from the debenture proceeds.
2. In conjunction with the acceptance of the SBA loan application by SEDA-COG, the applicant hereby agrees to accept the terms of this agreement and will deposit with SEDA-COG the sum of \$2,500 or 1% of the net debenture proceeds being sought, whichever is less.
3. If either SEDA-COG or the SBA subsequently declines the Application, the entire amount of the deposit shall be refunded to the Applicant within ten (10) days after all approval rights have been exhausted or waived.
4. If the Applicant's request for a loan is approved by the SBA, the amounts deposited may be refunded or applied toward the Third-Party Lender fee after the SBA 504 loan funds. The deposited fee will not be refunded until SEDA-COG has all of the closing documents (i.e. final title policy).
5. If the Applicant withdraws its loan application at any time prior to funding, SEDA-COG shall have the right to charge its reasonable and necessary costs incurred in packaging and processing the loan application against the said deposit, provided that SEDA-COG shall have an obligation to document all such costs. After deduction of such documented costs, any remaining deposit balance shall be remitted to the Applicant within ten (10) days of such withdrawal.

It is expressly acknowledged that SEDA-COG makes no representation or warranty as to the probability of success of obtaining financing for Applicant's business. It is further acknowledged that SEDA-COG is under no obligation, either contractual or otherwise, to provide or locate funds needed by the Applicant in its business. Except as expressly set forth in writing, SEDA-COG makes no commitment that any such funding will be made available.

IN WITNESS WHEREOF, the undersigned has caused this agreement to be executed on this _____ day of _____, 20__, intending to be legally bound hereby.

WITNESS/ATTEST:

APPLICANT

ATTEST:

SEDA-COG Local Development Corporation

Rosemary Orner, Asst. Secretary

By: _____
William C. Seigel, Executive Director