

261—80.8 (83GA,SF2389) Application review.

80.8(1) Criteria. The administrator shall evaluate applications based on the following criteria:

a. The quality of the Iowa small business's business plan and whether it projects a positive cash flow after the loan repayment.

b. Cash flow of the Iowa small business.

c. Credit score and credit history of the principal owner(s) of the Iowa small business and any owners of the Iowa small business with an interest of greater than 25 percent in the Iowa small business. Applicants with a credit score lower than 625 shall not be considered for a loan under this program unless the applicant is able to demonstrate extenuating circumstances that have impacted the applicant's credit score, provide adequate explanation for the low credit score and show a recent positive credit history, and either secure a suitable guarantor or have one or more co-owners with credit scores above 625.

d. Value and quality of collateral.

e. Education and experience of the owner of the Iowa small business related to owning and operating a business.

f. The quality and results of a marketing plan related to the Iowa small business.

g. The legal history, including any UCC-1 filings, of the principal owner of the Iowa small business and any owners with an interest of greater than 25 percent in the Iowa small business to the extent that history could negatively impact the business.

80.8(2) Additional information. The administrator or the department may require additional information from the Iowa small business in reviewing applications made under the program.

80.8(3) Additional expertise. The administrator and the department may use or procure the services of individuals with particular or specialized expertise in evaluating applications.

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