



Fee Agreement for SBA 504 Loans

The undersigned acknowledges and agrees to remit a deposit of \$2,500 at the time of application to the ADC. This deposit is required to initiate processing of an application for SBA 504 loan funding and must be received by the ADC prior to the commencement of any project-related work.

The ADC earns a fee upon the funding of the SBA loan for processing and closing services. If the ADC Board approves the request, the applicant will be required to pay one-half of the SBA processing fee upon execution of the approval letter. Upon funding of the SBA loan, the \$2,500 deposit and the one-half processing fee previously collected will be refunded to the borrower.

If the application is approved by the ADC Board but is not submitted to the SBA and is subsequently withdrawn or becomes inactive, the ADC reserves the right, at its discretion, to refund the deposit and processing fee less any expenses incurred in processing the application.

In the event the application results in an SBA Terms and Conditions, and the applicant elects not to proceed with loan funding for any reason, the \$2,500 deposit and one-half of the SBA processing fee will be retained by the ADC to offset costs incurred. If the SBA does not approve the loan request, the deposit and any processing fee paid will be refunded, less a charge of \$150 per hour for time expended in packaging and underwriting the loan submission to the U.S. Small Business Administration.

The applicant shall be responsible for all legal fees incurred in connection with the processing and/or closing of the loan, regardless of whether the loan ultimately closes.

This agreement is understood, acknowledged, and agreed to as of _____.
(Date)

Applicant Business: _____

Signed: _____

Title: _____