

Financing Fact Sheet

Sagehill Community Futures can help you get your business plans off the ground. Whether you're just getting started or you've been in business a while and are looking to expand or renovate, call us. We'd be happy to speak with you about the financing you require.

Financing may be available (at a maximum of \$150,000.00 per business) to:

- businesses already located in or considering a location in our region (refer to the map on the last page)
- first-time entrepreneurs
- entrepreneurs who have not reached the age of majority and have the support of a parent or guardian
- home and farm-based business opportunities
- part-time business opportunities
- complete a financing package you may have sourced from other financial institutions

Our financing programs can be used to help you invest in:

- building construction, expansion, or renovation
- commercial land
- working capital
- equipment purchases
- purchase of an existing business
- inventory purchases
- start up costs
- sales that may only be available to you through a tender or bidding contract

If you have any questions, call us at 1-888-732-8999 or email our office at info@sagehill.ca and we'll be happy to contact you.



Frequently Asked Questions about Financing

How much of a down payment do I require?

Each situation is different just like each entrepreneur is different. We do not have predetermined down payment requirements; we make an assessment for each application.

Do I require collateral?

Yes, each of our loans is secured.

How much collateral do I require?

Each loan has different requirements. The collateral you will require will depend on the nature of the financing, the business and personal collateral available to our office, and the degree of risk. You will be advised of the collateral requirements before you accept our financing offer.

Do I need to approach my traditional financial institution before I approach Sagehill?

No. However, you should always consult with your local financial institution to determine if their products can meet your needs. If they don't, or only meet part of your requirements, you may find that they refer you to our office.

What is Sagehill's interest rate policy?

The interest rate is a fixed rate for the term of the loan.

What terms with respect to time are available?

The amortization schedule established for each loan is based on the current cash flow of the business with consideration for future earnings. Typically, terms are available to a maximum 60-month schedule.

How long does it take to find out whether my loan has been approved?

Once you have provided us with all the information we need, an answer will be provided in 10 to 15 days.

Are there any fees or charges?

Yes. All loans are levied a 1.5% annual administration fee. There is also a one-time loan collateral documentation charge of \$300.00 if your loan is approved.



Frequently Asked Questions about Financing continued

Are there any prepayment penalties?

No. Whether you decide to make an extra loan payment in one or more months or find yourself in the position to pay the loan in full before the maturity date, you will never be charged any penalties.

Can I have more than one loan with Sagehill?

Yes, although the total of all loans cannot exceed \$150,000.00.

What do I need to bring with me to complete a loan application?

If your business is new, you will require a business plan complete with financial projections for a minimum 12-month period. You will also need to provide us with your personal Net Worth Statement.

If you own an existing business, you will need to bring a copy of your updated business plan, including historical financial statements, as well as your personal Net Worth Statement.

Does Sagehill do ag-based lending?

While we do not provide financing for “traditional” agriculture practices (for example, purchase of a home quarter for residence, land for production of grains and oilseeds, or traditional types of livestock), we are able to participate in diversification activities. Those activities could include market gardens, orchards, manufacturing businesses located on a home quarter, or value-added processing opportunities. While this list is not exhaustive, it should help identify whether your business idea might be eligible for financing.

I’m a first-time entrepreneur. What are my chances of obtaining financing?

We’re pleased that over 65% of our portfolio has been invested with 1st time entrepreneurs and that approximately 20% of those customers are under the age of 30.



Sagehill Community Futures Region



The Sagehill Office

Business Starts
HERE



Self-Employment Program Fact Sheet

The Self-Employment Program provides training and support to assist eligible unemployed individuals develop, implement, and operate a viable business. The program involves a flexible range of entrepreneurial training supports and services to help participants establish successful businesses. Training focuses on the research and writing of a business plan, as well as business related skills development.

The Self-Employment Program is a training option for individuals seriously considering self-employment. Starting a business takes commitment and skills development to be successful. The program also contributes to economic development and job creation through the development of new businesses.

Program Description

- The program includes a participant suitability and needs assessment, business plan development, and skills development such as market research, accounting, financial forecasting, small business management and business finance options.
- The Self-Employment Program normally involves three phases of training and support: 1. Business Plan Development, 2. Start-up, and 3. Business Operations.
- Participants must write their own business plan and begin operating their business during the program.
- Program services are intended to support participants based on individual needs, from the initial business idea through to setting up business operations.
- Services provided can also include mentor support, technical business advice and follow-up business consulting during the start-up and development of the new business.
- Progress reports are completed throughout the program to monitor success.
- The program may be delivered on an individual basis or in a small group setting, depending on need and demand.

Program Length

- Program training and support is based on individual participant needs to a maximum of 40 weeks.
- Participants are required to complete a business plan and begin the operation of their business during the time frame of the program.

Participant Eligibility

To be eligible to take the program you must:

- be unemployed;
- be legally entitled to work in Canada;
- be at least 18 years of age and one year out of school;



Self-Employment Program Fact Sheet

Participant Eligibility continued...

- have a viable, self-sustaining business idea;
- be able to participate full time towards developing and setting up the business;
- have established a current Employment Insurance (EI) benefit period; received EI benefits within the past 3 years; received maternity or parental benefits within the previous 5 years, or receiving Saskatchewan Assistance Plan benefits; and
- not have participated in a Self-Employment Program funded by the Province of Saskatchewan or Human Resources Development Canada within the past five years.

Several factors are considered when determining acceptance into the program. These include labor market conditions, previous program participation, personal suitability, and business viability.

Eligible business ideas must be:

- full time, year-round business idea(s) or seasonal businesses that provide an annual income for the participant to be self-sufficient year-round;
- a new business, or an existing business in which the participant has had no prior ownership; and
- a sole proprietorship or partnership where the participant owns 51% or more of the venture.

Businesses that are not eligible include:

- a business that a participant owns and has been operating, and a tax return has been filed with Revenue Canada;
- a business where revenue is mainly from commission sales (this includes sales agents);
- a business which is family owned;
- a business involved in multi-level marketing or pyramid selling;
- a business which is a subsidiary of, or financially supported by another company; or
- a business operating outside of Saskatchewan.

To discuss the program in more detail, call Sagehill Community Futures at 1-888-732-8999.

