

# LOAN APPLICATION CHECKLIST

**APPLICATION**

**BUSINESS FINANCIAL STATEMENTS**

Annual (last 3 years) and interim (within 90 days) business financial statements for borrower, guarantors, and affiliated entities. The financial statements must include balance sheets, income statements, cash flow statements, an aging of accounts receivable and payable and ORIGINAL SIGNATURE (S) of the person(s) completing this application.

**TAX RETURNS**

Copies of executed federal tax returns for the last three years for borrower, guarantors, and affiliated entities.

**OWNERS PERSONAL FINANCIAL STATEMENTS**

Complete Exhibit A, Personal Financial Statement Form, with ORIGINAL SIGNATURES and date, for all persons owning 20% or more of the business, or any guarantors. If you are married, your spouse must sign the personal financial statement even if he or she is not an applicant on this loan request.

**CREDIT AUTHORIZATION**

Complete Exhibit B, Credit Authorization Form, with ORIGINAL SIGNATURES and date, for all persons owning 20% or more of the business, or any guarantors.

**OWNERS PERSONAL TAX RETURNS**

Copies of executed federal tax returns (last three years) for all persons owning 20% or more of the business, or any guarantors.

**BUSINESS PLAN**

Business Plan for the business and the proposed project. An outline of a typical business plan is provided. Two-year financial projections for business (income statements and cash pro forma).

**LEASE/PURCHASE AGREEMENT**

Copies of executed lease or purchase agreements, or contingent (upon financing) lease or purchase agreements for the project site.

# LOAN APPLICATION CHECKLIST

(Continued)

**PROJECT SOURCES AND USES OF FUNDS**

Complete Exhibit C, Project Sources and Uses of Funds Form.

**FINANCING COMMITMENT LETTERS**

Copies of commitments or other documentation for all other funding sources listed in Exhibit C pertaining to this project. This documentation must include anticipated rates and terms for all financing, and the contact persons names and phone numbers.

**PRESENT DEBT OBLIGATIONS**

Complete Exhibit D, Present Debt Obligations Form

**ARTICLES OF INCORPORATION, BY-LAWS, PARTNERSHIP AGREEMENTS, ETC.**

Articles of Incorporation, By-Laws, Partnership Agreements, Shareholder or Management Agreements, and other Corporate or Partnership Agreements affecting control or ownership of the entity.

**BUSINESS LICENSE AND FICTITIOUS BUSINESS NAME STATEMENT**

Copy of current business license and Fictitious Business Name Statement if d.b.a. is specified under Section I, Applicant Information.

**APPLICANT'S CERTIFICATION**

Complete Exhibit E, Applicant's Certification.

**BUSINESS PLAN OUTLINE**

**LOAN APPEAL PROCESS**

**BULK SALE TRANSFER, IF PURCHASING AN EXISTING BUSINESS**

**RESUMES FOR ALL APPLICANTS**

**THREE REFERENCES (NAMES, ADDRESSES, AND PHONE NUMBERS)**

***TO INSURE TIMELY PROCESSING OF YOUR APPLICATION, PLEASE PROVIDE ALL INFORMATION REQUESTED***

# REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION REVOLVING LOAN PROGRAM

## APPLICATION

*Please complete the application and supporting documents with original signatures.*

### SECTION I. APPLICANT INFORMATION

Name of Business \_\_\_\_\_ d.b.a. (if used) \_\_\_\_\_

Street Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Contact Name \_\_\_\_\_ Title \_\_\_\_\_ Phone \_\_\_\_\_ Fax \_\_\_\_\_

Corporation                       General Partnership                       Limited Partnership                       Sole Proprietorship

How did you learn of the program?       RREDC Staff       Personal Referral       Other (specify) \_\_\_\_\_  
 Bank Referral       SBDC      \_\_\_\_\_

Federal Tax I.D. No: /Soc. Sec. #	Date Business Established:	Date when operations began:
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Business Owner Name	Title	% of Ownership (must total 100%)
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Accountant Name	Street Address	City, State, Zip Code	Contact	Phone
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Bank Name	Street Address	City, State, Zip Code	Contact	Phone
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### SECTION II. LOAN INFORMATION

Requested Loan Amount:	Requested Term of the Loan:
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Use of Funds \_\_\_\_\_

Collateral offered for loan:		
<b>Type</b>	<b>Estimated Value</b>	<b>Description</b>
Real Property (address, acreage, zoning)	_____	_____
Machinery & Equipment	_____	_____
Other Business Assets (Specify)	_____	_____
Other personal Assets (Specify)	_____	_____

Site Information:                       Own                       Lease (Submit *the executed lease or purchase agreement.*)

**SECTION III. PROJECT INFORMATION**

*Provide brief summaries on the following items:*

Project/Description:

Keys to Success:

Number of existing jobs:

Number of New Jobs to be created as a result of this loan:



## EXHIBIT A PERSONAL FINANCIAL STATEMENT

As of \_\_\_\_\_, 20\_\_

Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock and each corporate officer and director, or (4) any other person or entity providing a guaranty on the loan.

Name (applicant No. 1): _____	Social Security No. _____
Name (applicant No. 2): _____	Social Security No. _____

Residence Address	Residence Phone: _____
	Business Phone: _____

City, State & Zip Code \_\_\_\_\_

Business Name of Applicant/Borrower \_\_\_\_\_

1) Are you a U.S. Citizen?    Yes    No

2) Are you a U.S. Citizen?    Yes    No

If no, give alien registration number(s): \_\_\_\_\_

ASSETS	(Omit Cents)	LIABILITIES	(Omit Cents)
Cash on Hand & in Banks .....	\$ _____	Accounts Payable .....	\$ _____
Savings Account in Banks .....	\$ _____	Notes Payable to Banks and Others .....	\$ _____
IRA or Other Retirement Account .....	\$ _____	(Describe in Section 2)	
Accounts & Notes Receivable .....	\$ _____	Installment Account (Auto) .....	\$ _____
Life Ins. Cash Surrender Value Only .....	\$ _____	Monthly Payments \$ _____	
(Complete Section 8)		Loans on Life Insurance .....	\$ _____
Stocks and Bonds .....	\$ _____	Mortgages on Real Estate .....	\$ _____
(Describe in Section 3)		(Describe in Section 4)	
Real Estate .....	\$ _____	Unpaid Taxes .....	\$ _____
(Describe in Section 4)		(Describe in Section 6)	
Automobile-Present Value .....	\$ _____	Other Liabilities .....	\$ _____
Other Personal Property .....	\$ _____	(Describe in Section 7)	
(Describe in Section 5)		Total Liabilities .....	\$ _____
Other Assets .....	\$ _____	Net Worth =	
(Describe in Section 5)		Total Assets – Total	\$ _____
Total	\$ _____	Liabilities	
		<b>If residence is rented,</b>	
		<b>monthly rental payment</b> \$ _____	

<p><b><u>Section 1. Source of Income</u></b></p> <p>Salary..... \$ _____</p> <p>Net Investment Income..... \$ _____</p> <p>Real Estate Income .....</p> <p>Other Income (Describe) .....</p>	<p><b><u>Contingent Liabilities</u></b></p> <p>As Endorser or Co-Maker..... \$ _____</p> <p>Legal Claims and Judgments..... \$ _____</p> <p>Provision for Federal Income Tax .....</p> <p>Other Special Debt..... \$ _____</p>
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**Description of Other Income in Section 1** (*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.*)

**Section 2. Notes Payable to Bank and Others** (*Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.*)

Name and Address of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (Monthly, etc.)	How Secured or Endorsed / Type of Collateral

**Section 3. Stocks and Bonds.** (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

**Section 4. Real Estate Owned.** (List each parcel separately. Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Property			
Name & Address of Title Holder			
Date Purchased / Original Cost			
Present Market Value			
Name & Address of Mortgage			
Mortgage Balance			
Amount of Payment per			
Status of Mortgage			

**Section 5. Other Personal Property and Other Assets.** (Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment, and if delinquent, describe delinquency.)

**Section 6. Unpaid Taxes** (Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches).

**Section 7. Other Liabilities** (Describe in detail).

**Section 8. Life Insurance Held.** (Give face amount and cash surrender value of policies - name of insurance company and beneficiaries).

If the answer to any of the following questions is yes, attach a written explanation.

Are you presently under indictment, on parole or probation?     Yes     No

Have you ever been charged with and or arrested for any criminal offense other than a minor motor vehicle violation? Include offenses that have been dismissed, discharged, or not prosecuted.     Yes     No    (All arrests and charges must be disclosed and explained on an attached sheet.)

Have you ever been convicted, placed on pretrial diversion, or placed on any form of probation, including adjudication withheld pending probation, for any criminal offense other than a minor vehicle violation?     Yes     No

Have you ever declared personal bankruptcy?     Yes     No  
 If yes: Chapter Filed \_\_\_\_\_ Date Filed: \_\_\_\_\_ Case Number: \_\_\_\_\_  
 Present Status:  Case Dismissed     Payment Plan     Debts Discharged     Pending

Have you ever experienced foreclosure, repossession, debt judgment or criminal penalty within the last seven years?  Yes     No

Are there any legal actions (claims, lawsuits, etc.) pending against you?  Yes     No

I authorize the Redwood Region Economic Development Commission to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

# EXHIBIT B

## CREDIT CHECK AUTHORIZATION FORM

Applicant: \_\_\_\_\_

Redwood Region Economic Development Commission  
520 E Street  
Eureka, CA 95501

RE: Credit Check Authorization

To Whom It May Concern:

This letter is to give authorization for the Redwood Region Economic Development Commission to initiate a credit check on my personal credit history in conjunction with this loan application for:

\_\_\_\_\_  
(Business Applicant)

With this certification, you are authorized to check my credit references. You are also authorized to verify information with various taxing entities, including, but not limited to, the State of California Franchise Tax Board, Board of Equalization and the Federal Internal Revenue Service.

A photocopy of this authorization may be deemed to be the equivalent of the original and may be used as a duplicate original.

Sincerely,

\_\_\_\_\_  
Original Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Date of Birth

\_\_\_\_\_  
Original Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Date of Birth

## EXHIBIT C

### PROJECT SOURCES & USES OF FUNDS

Indicate all sources of financing for the project in these columns and total at bottom. Include rates, terms and annual debt service for each funding source listed below.

<b>SOURCES &amp; USES OF FUNDS</b>	<b>RREDC Loan Request</b>	<b>Personal Fund</b>	<b>Business Fund</b>	<b>Other</b>	<b>Other</b>	<b>TOTALS</b>
Real Property Purchase						
Machinery & Equipment						
Furniture & Fixtures						
Leasehold Improvements						
Working Capital						
Contingencies						
Loan Fees						
Other						
<b>TOTALS</b>	\$	\$	\$	\$	\$	\$

# EXHIBIT D

## PRESENT DEBT OBLIGATIONS

As of \_\_\_\_\_\*

*Complete the following for all present debt obligations of the business. Do not include proposed debt pertaining to this project.*

<i>Loan Number</i>	<i>Creditor Name and Address</i>	<i>Original Date</i>	<i>Original Amount</i>	<i>Present Balance</i>	<i>Interest Rate</i>	<i>Maturity Date</i>	<i>Monthly Payment</i>	<i>P &amp; I Annual Debt</i>	<i>Collateral</i>	<i>Current or Delinquent</i>
			\$	\$			\$	\$		
			\$				\$	\$		
			\$	\$			\$	\$		
			\$	\$			\$	\$		
			\$	\$			\$	\$		
			\$	\$			\$	\$		
<b>TOTAL PRESENT BALANCE **</b>				\$						

\* Same date as most recent financial statement.

\*\* Total must agree with balance shown on most recent balance sheet.

# BUSINESS PLAN OUTLINE

1. Description of the Business
  - Name and location
  - Legal Structure
  - Principal owners
  - Nature of Business
  - History of the Business
  
2. Product or Service
  - Describe product line(s) or type(s) of service
  - Describe materials and supply sources
  - Methods of production
  - Quality and cost of production or service
  
3. Market Information
  - Market area and trends
  - Customers and potential new customers
  - Competition, names, locations and size
  - Advantage of your product/service over the competition
  
4. Advertising and Distribution
  - Methods of advertising and promotion
  - Sales Methods
  - Pricing Policy
  - Customer Service
  
5. Facilities
  - Location
  - Size, zoning
  - Age and condition
  - Expansion opportunities
  
6. Management and Personnel
  - Management expertise
  - Key personnel (position, qualifications)
  - Professional Services
  - Present and future manpower requirements
  - Personnel breakdown - skill levels, hours, wage rates, unionization, etc.
  
7. Benefits to the Community
  - Jobs created/retained
  - Meeting community needs
  - Increased community tax base
  
8. Summary of Future Plans
  - Short range and long range
  - Expansion
  - Relocation

**Note:** *This outline is intended to assist in developing a business plan. A business should address the key areas in a way which best summarizes the business and/or project.*

# EXHIBIT E

## Applicants' Certification

Applicant: \_\_\_\_\_

The following must be signed by the president/general partner(s)/owner(s) of the company who is applying for a loan as specified in Section 1A of this application.

I/we certify that all the information in this application and all information furnished in support of this application are true and complete to the best of my/our knowledge and belief and that the project is in compliance with all local, state, and federal laws, regulations, requirements and rules. Verification may be obtained from any source named, and I/we agree to submit personal credit checks.

I understand that information contained in Sections 1, 2, and 3 of this application (with the exception of accountant name, bank name customers, competitors and keys to success) will become public information during the administration of this program, and that any loan agreement that we may sign and its attachments will be public information. All other information provided in this application should be considered trade secret, confidential or proprietary information as described in Section 6250 et. Seq. and be treated accordingly.

+++++  
IMMIGRATION AND NATURALIZATION AUTHORIZATION

I authorize the Immigration and Naturalization Service to release information regarding my immigration status to RREDC and/or I authorize the Immigration and Naturalization Service to release alien verification information about me to RREDC.

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Signature	Printed Name	Date Signed
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Signature	Printed Name	Date Signed
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Signature	Printed Name	Date Signed
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