



U.S. SMALL BUSINESS ADMINISTRATION APPLICATION FOR SECTION 504 LOAN

OMB APPROVAL NO.: 3245-0071
EXPIRATION DATE: 12/31/2006

PART A

Name of CDC: _____

CDC Contact Person: _____

Name of Borrower: _____ Telephone No: _____

Name of Small Business Concern (SBC) (if different): _____

THE FOLLOWING MUST BE SUBMITTED: [Indicate if Attached (X) or Not Applicable (N/A).]

Instructions: If the CDC is using the Abridged Submission Method (ASM), the CDC must collect and retain in its file, but not submit to SBA, each Exhibit marked with an asterisk (*).

1. A credit memorandum, which includes CDC's credit analysis, a history and description of the business and analysis of management ability, and description of the qualifications and background of the principals involved in day-to-day management of the business. Exhibit 1.
2. "Eligibility Information Required for 504 Submission" form. Exhibit 2.
3. Personal History Statement (SBA Form 912) for each officer and director (regardless of ownership) and each proprietor, partner and stockholder with 20% or more ownership of the small business concern (SBC) and, if different, each owner with 20% or more ownership of the EPC. Exhibit 3.
4. * Personal Financial Statement (SBA Form 413) current within 90 days for each proprietor, partner or stockholder with 20% or more ownership of the SBC, and, if different, each owner with 20% or more ownership of the EPC, as well as copies of federal income tax returns for the last one year. Exhibit 4.
5. {Reserved}. Exhibit 5.
6. * A balance sheet and income statement as well as federal income tax returns for the previous two years for the SBC (or three years, if the alternate 7(a) size standard is being used). If the SBC is a new business, provide a proforma balance sheet with a description of assumptions attached. Exhibit 6.
7. * A balance sheet and income statement dated within 120 days of the application together with an aging of the accounts receivable and accounts payable listed. Exhibit 7.
8. * Where appropriate, a projected, annualized income statement for the first two years after the loan with a description of assumptions attached. Exhibit 8.
9. * For a new business, a monthly cashflow analysis for the first 12 months of operation or for three months beyond the breakeven point (whichever is longer) together with a description of assumptions attached. Exhibit 9.
- 10.* A schedule of debts which includes the original date and amount, monthly payment, interest rate, present balance owed, maturity, to whom payable, and collateral securing the loan for each short-term and long-term loan that the business currently has outstanding or has planned for the next 12 months (other than the 504 loan). Please indicate whether each loan is current or delinquent. Exhibit 10.
- 11.* A schedule of any previous government financing received by the applicant small business concern or any affiliated company of the applicant as well as any associate (as defined by §120.10) or principal of the applicant. Include the name of the agency, the original date and amount, the outstanding balance, status of the loan (current, delinquent, paid in full, or charged off), and collateral securing the loan. Exhibit 11.
- 12.* The names of affiliated (through ownership or management control) or subsidiary businesses as well as the last two fiscal year-end financial statements and/or federal income tax returns for the last two years (or three years, if the alternate 7(a) size standard is being used). Exhibit 12.
13. If the business is a franchise, include a copy of the Franchise Agreement and the Franchisor's Disclosure Statement that is required by the Federal Trade Commission. Exhibit 13.
- 14.* A copy of key cost documents such as contractor costs, estimates, vendor quotes for machinery and equipment, etc. as well as an itemized listing of estimated "professional fees" that is summarized in Part B, Section VII. Exhibit 14.
15. * If applicable, a copy of the existing or proposed lease agreement. Exhibit 15. (Submit only at loan closing.)
16. An independent appraisal for project real estate as required by SOP 50-10. Exhibit 16.
17. Environmental analysis, if applicable. Exhibit 17.
- 18.* An itemized listing of estimated "closing costs" summarized in Part B Section VIII. Exhibit 18. (Submit only at loan closing.)
- 19.* A letter from the participating lender stating the terms and conditions of its participation and the reason why it will not finance the entire project. Exhibit 19.
- 20.* A resolution from the partners, members, or Board of Directors of the Borrower authorizing it to borrow. Exhibit 20. (Submit only at loan closing.)
21. USCIS verification of the USCIS status of any alien who is an owner of 20% or more of the small business applicant or any person who controls (as defined by SBA regulations and policies) the small business applicant. Exhibit 21.
- 22.* Credit reports for the SBC, its owner(s), and any affiliated company. Exhibit 22.
- 23.* A completed SBA Form 159 (Compensation Agreement) for costs incurred by the applicant to third parties (attorney, accountant, etc.). Exhibit 23. (Submit only at loan closing.)