

## APPLICATION INSTRUCTIONS

The information required for this application is necessary for proper evaluation and is similar to that required by most lending agencies. The Directors of the Crater Development Company (CDC) must make their decision based on this information after it has been processed by staff members. If additional space is required for completion of the information requested, or if the applicant desires to submit additional data, supplemental attachments should be prepared. Do not condense the information furnished at the expense of providing a clear understanding of the project.

A completed application should contain the following material:

1. CDC Loan Application – If a business plan has been completed, provide a copy and reference the appropriate section on the application,
2. Personal Resume Form – Must be submitted for each officer, owner, and key employees,
3. Personal Financial Statements from each owner, shareholder, member. Must not be over 60 days old at time of submission. Provide copies of personal federal income tax returns for the past three years,
4. Existing Business - Financial statements and income tax returns for the previous three years of operations. Interim financial statement no older than 60 days at the date of submittal with aging reports for payables and receivables, and projections for the next two fiscal years to include a description of assumptions.
5. New Business - Proforma balance sheet, a projected, annualized income statement for two years of operations or three months beyond breakeven (whichever is longer), and projected monthly cash flow statements. Provide a description of assumptions for all three components.
6. If proceeds from financing are to be used to purchase an existing facility, an appraisal must be submitted illustrating present value of land and building. If proceeds are to be used to construct a new or renovate an existing facility, an appraisal must be submitted with an opinion of value on an as completed basis,
7. If proceeds are to be used to purchase new equipment, provide current quotes. If proceeds are to be used to purchase used equipment, we will need to obtain an appraisal of items to be purchased and/or used as collateral,

8. Copies of existing or proposed leases and/or purchase agreement,
9. For new construction or renovations, copies of preliminary plans, specifications, and construction cost estimates,
10. Environmental Analysis, if applicable. This document is generally ordered by the participating bank,
11. Letter of commitment from participating lender stating terms, conditions, and reasons why it will not finance entire project,
12. Articles of Incorporation and By-Laws, Articles of Organization and Operating Agreement, and/or partnership agreement,
13. If franchise, copies of Franchise Agreement and FTC Disclosure Statement,
14. If any of the owners, shareholders, members have affiliated or subsidiary businesses, provide last three fiscal year end financial statements and tax returns, interim financial statements (no older than 60 days from submittal) for each business are also required,
15. If the borrower has used government financing either personally or corporately, provide the name of the agency, original date and amount, current outstanding balance, status of the loan, and collateral securing the loan,
16. If the applicant is applying for a Crater Revolving Loan Fund (RLF) Loan, a \$200 application fee is to be submitted with the completed application. If the applicant is applying for a SBA 504 Loan, the Crater Development will require an application fee of 1% of the loan request up to \$2,500. The fee is to be paid by the borrower at the time the loan application is submitted to CDC. The balance of the 1% fee, if applicable, is due when the loan request has been authorized by SBA. The terms applicable to this deposit are described in the Agreement and Understanding with the Crater Development Company.

**NOTE:** In addition to the loan application fee or deposit described in item #16 above, the applicant will also be responsible for payment of all legal costs incurred by CDC in processing and closing the applicant's loan request.