



SOUTHERN GEORGIA REGIONAL COMMISSION

Small Business Lending

Revolving Loan Fund Loan Application

Business and Economic Development Financing For Southern Georgia

1937 Carlton Adams Drive
Valdosta, Georgia 31601
(229) 333-5277

An Equal Opportunity Employer/Program (exp. 12/2010)

Persons with speech or hearing disabilities can contact the Georgia Telephone Relay Service at 1-800-255-0056 (TDD/TTY) or 1-800-255-0135 (Voice)

INTRODUCTION...

The Southern Georgia Regional Commission operates a Revolving Loan Fund utilizing EDA and Rural Development funds to assist small businesses in the region. These loans are available to existing businesses in Atkinson, Bacon, Ben Hill, Berrien, Brantley, Brooks, Charlton, Clinch, Coffee, Cook, Echols, Irwin, Lanier, Lowndes, Pierce, Tift, Turner, and Ware Counties. While eligibility of the project, loan amount, collateral requirements and many other items vary, the 5 "C's" will be weighed heavily for loan consideration.

The 5 "C's"

- 1. Character** - Character has to do with your credit reputation. It is good character that allows you to have an *excellent credit history*. Your credit report must be good to be considered for a loan. Minimum Credit Score of 630 on all key principals, but may be waived for good cause.
- 2. Capacity** - Capacity addresses the businesses' ability to *produce* during a given amount of time. This "C" is also referred to as *repayment ability*. Does your past business history show a reasonable expectation of repaying the loan?
- 3. Capital** - Capital is the money or other assets you have to put in the business or already have in the business. If you are starting a business you should be able to make a *down payment* in cash or other asset that the business will use. A rule of thumb is at least a 10% down payment for existing businesses, but may be waived in certain circumstances.
- 4. Conditions** - Conditions refer to the market place you are entering and your *management experience or skills that you bring to the business*. The number one reason for business failure is management inexperience or incompetence. You must have skills or experience in the business. If you do not, you must prove that you have hired personnel with the needed experience.
- 5. Collateral** - Collateral is the property offered as *security* to a lender to assure the loan is repaid. Collateral is a secondary source of repayment in case of default. If you default on your loan, your collateral will be sold by the bank and the SGRC to repay the debt. Collateral is an area of confusion for many people.

Collateral is discounted, which means that the market value of the property being offered is reduced. The reason for this is that when the property is liquidated, the lender knows that it will only receive a fraction of what it is worth. Generally, liquidations are done at auctions or quick sales.

DOCUMENTATION REQUIRED FOR SGRC RLF LOAN APPLICATIONS

Applicants may apply by scanning and emailing us their completed application to lwilcher@sgrc.us, or by dropping off the application at our office. All applicants should be prepared to send the following required application documents (additional information may be required):

- 1) SGRC Revolving Loan Fund Application Form. A business plan required for new businesses.
- 2) SGRC Personal Information and Certifications Form.
- 3) Personal Financial Statement Form - to be completed by each owner with 20% or more ownership.
- 4) Most recent year Personal Tax Return (or the year prior with a copy of your extension for the current year).
- 5) Last 2 Years Business Tax Returns (If most recent tax return is unavailable, a Balance Sheet and Income Statement as of the most recent year end must be submitted).
- 6) A balance sheet and income statement for the previous two years or if a new business, pro forma balance sheet complete with assumptions.
- 7) An interim balance sheet and income statement dated within 90 days of application.
- 8) A 12 Month Cash Flow complete with assumptions (for new businesses)
- 9) A debt schedule covering all existing debt on the business and affiliates.
- 10) A copy of key cost documents such as real estate purchase contracts, contractor cost quotes, vendor quotes for machinery and equipment, etc.

(NOTE: Due to the competitive nature of these loans and in fairness to all applicants, incomplete applications will not be accepted or scored. If an applicant needs assistance completing an application, we encourage them to reach out to the University of Georgia Small Business Development Center in Valdosta at 229-245-3738 or www.georgiasbdc.org).

If there are questions regarding the exhibits on this list, please email or call Lance Wilcher at lwilcher@sgrc.us or (229) 333-5277.

Please mail information to: Southern Georgia RC, 1937 Carlton Adams Dr., Valdosta, GA 31601

Southern Georgia Regional Commission

DECLARATIONS OF PRINCIPAL OWNERS, OFFICERS, DIRECTORS

Please answer the following questions as they may apply to the applicant company, each officer, each director and each owner of 20% or more of the applicant company. For each "yes" answer attach a separate exhibit providing a detailed explanation from the source.

- | | | |
|---|------------------------------|-----------------------------|
| 1. Are any involved in any claim or lawsuit?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Are any federal, state, or local taxes delinquent?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Are any liable under any contingency agreements?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Have any ever been involved in bankruptcy or insolvency proceedings?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. Do any have outstanding judgments?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. Have any ever had property foreclosed upon or given title or deed in lieu of foreclosure?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. Have any ever received government financing before?..... (Student Loans,FHA,VA, etc.) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 8. Are you a borrower, guarantor, or owner in a business that has received assistance from the U.S. Small Business Administration? (If so, please attach information regarding each loan. Include the date of the loan, loan amount, name of borrower, loan number, and outstanding loan balance) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 9. Is this loan Request under consideration at any other financial insitution at this time?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 10. Have you ever been charged with or arrested for any criminal offense other than a minor motor vehicle violation? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 11. Are any under presently under indictment, parole or probation?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 12. Are any delinquent for child support payments?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 13. Are any NOT citizens of the United States?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

CERTIFICATION AND SIGNATURES

The undersigned certifies that all statements in this application and on each document required to be submitted in connection herewith, including federal income tax returns, are true, correct, and complete. The undersigned authorizes Southern Georgia Regional Commission ("SGRC") to make such inquiries and gather such information as SGRC deems necessary and reasonable concerning any information provided to SGRC on this application or on any such required document, including inquiries to the Internal Revenue Services, and any Credit Bureau Reporting Agencies. The undersigned further agrees to notify SGRC promptly of any material change in such information.

BY (AUTHORIZED SIGNATURE)

TITLE

DATE

SOCIAL SECURITY NO.

BY (CO-BORROWER/OWNER)

TITLE

DATE

SOCIAL SECURITY NO.

**Southern Georgia Regional Commission Application
for Revolving Loan Fund Assistance**

General Information

Contact Person(s):

1) _____ 2) _____

Street Address:

City/State/Zip:

Home Phone:

Cell Phone:

Email:

Business Information

Company Name:

Current Street Address:

City/State/Zip:

Company Phone:

Web Address:

Type of Entity (Check One):

Corporation: C S Partnership: General Proprietorship LLC Limited

Ownership of Applicant(s): List all of the officers, directors, partners, owners and co-owners of the company

| Name: | Title: | Percentage of Ownership: |
|-------|--------|--------------------------|
| _____ | _____ | _____ % |
| _____ | _____ | _____ % |
| _____ | _____ | _____ % |
| _____ | _____ | _____ % |

Other Business Owned: Does any of the entity(s)/Individuals listed above have ownership in or control of any other company? If yes, please identify below:

| Name: | Title: | Percentage of Ownership: |
|-------|--------|--------------------------|
| _____ | _____ | _____ % |
| _____ | _____ | _____ % |
| _____ | _____ | _____ % |
| _____ | _____ | _____ % |

Proposed Guarantors:

1) _____ 2) _____

3) _____ 4) _____

Business Overview

Business Type: *Please check one. If Other, please list.*

Construction Manufacturing Service Retail Wholesale Other

Business History: *Please provide a brief overview of the business.*

Discuss competitors and management experience, etc.

How will this loan benefit your company?

Financing Requested

Use of Proceeds

| | |
|--|----------|
| Real Estate | \$ _____ |
| New Construction/Renovation/Improvements | \$ _____ |
| Machinery/Equipment | \$ _____ |
| Furniture/Fixtures | \$ _____ |
| Inventory | \$ _____ |
| Working Capital | \$ _____ |
| Debt Refinance | \$ _____ |
| Professional Fees | \$ _____ |
| Other (Please Explain): | \$ _____ |
| | |
| Total Project Amount | \$ _____ |
| Less Borrowers Injection | \$ _____ |
| Total Loan Amount | \$ _____ |

Collateral

| <u>Asset</u> | <u>Location</u> | <u>Estimated Value</u> | <u>Existing Lien Amount</u> | <u>Lien Holder</u> |
|--------------|-----------------|------------------------|-----------------------------|--------------------|
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |

Printed Name of Applicant

Signature of Applicant

PERSONAL FINANCIAL STATEMENT

As of _____, _____

SGRC uses the information required by this Form as one of a number of data sources in analyzing the repayment ability and creditworthiness of an application for an for this loan. Submission of this information is required as part of your application for assistance. Failure to provide the information would impact the SGRC's decision on your application.

Complete this form for: (1) each proprietor; (2) general partner; (3) managing member of a limited liability company (LLC); (4) each owner of 20% or more of the equity of the Applicant (including the assets of the owner's spouse and any minor children); and (5) any person providing a guaranty on the loan

| | |
|-------------|-----------------------|
| Name | Business Phone |
|-------------|-----------------------|

| | |
|---------------------|-------------------|
| Home Address | Home Phone |
|---------------------|-------------------|

| |
|------------------------------------|
| City, State, & Zip Code |
|------------------------------------|

| |
|-----------------------------------|
| Business Name of Applicant |
|-----------------------------------|

| ASSETS | (Omit Cents) | LIABILITIES | (Omit Cents) |
|---|-----------------|--|-----------------|
| Cash on Hand & in banks..... | \$ _____ | Accounts Payable..... | \$ _____ |
| Savings Accounts..... | \$ _____ | Notes Payable to Banks and Others..... | \$ _____ |
| IRA or Other Retirement Account..... | \$ _____ | (Describe in Section 2) | |
| (Describe in Section 5) | | Installment Account (Auto)..... | \$ _____ |
| Accounts & Notes Receivable..... | \$ _____ | Mo. Payments \$ _____ | |
| (Describe in Section 5) | | Installment Account (Other)..... | \$ _____ |
| Life Insurance – Cash Surrender Value Only..... | \$ _____ | Mo. Payments \$ _____ | |
| (Describe in Section 8) | | Loan(s) Against 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) | |
| Automobiles..... | \$ _____ | Other Liabilities..... | \$ _____ |
| (Describe in Section 5, and include | | (Describe in Section 7) | |
| Year/Make/Model) | | Total Liabilities..... | \$ _____ |
| Other Personal Property..... | \$ _____ | Net Worth..... | \$ _____ |
| (Describe in Section 5) | | | |
| Other Assets..... | \$ _____ | | |
| (Describe in Section 5) | | Total | \$ _____ |
| Total | \$ _____ | *Must equal total in assets column. | |

| Section 1. Source of Income. | Contingent Liabilities |
|-------------------------------------|---------------------------------------|
| Salary..... | As Endorser or Co-Maker..... |
| Net Investment Income..... | Legal Claims & Judgments..... |
| Real Estate Income..... | Provision for Federal Income Tax..... |
| Other Income (Describe below)*..... | Other Special Debt..... |

| |
|--|
| Description of Other Income in Section 1. |
| |
| |
| |

*Alimony or child support payments should not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

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

| Names and Addresses of Noteholder(s) | Original Balance | Current Balance | Payment Amount | Frequency (monthly, etc.) | How Secured or Endorsed Type of Collateral |
|--------------------------------------|------------------|-----------------|----------------|---------------------------|--|
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Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

| Number of Shares | Name of Securities | Cost | Market Value Quotation/Exchange | Date of Quotation/Exchange | Total Value |
|------------------|--------------------|------|---------------------------------|----------------------------|-------------|
| | | | | | |
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Section 4. Real Estate Owned. (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

| | Property A | Property B | Property C |
|--|------------|------------|------------|
| Type of Real Estate (e.g. Primary Residence, Other Residence, Rental Property, Land, etc.) | | | |
| Address | | | |
| Date Purchased | | | |
| Original Cost | | | |
| Present Market Value | | | |
| Name & Address of Mortgage Holder | | | |
| Mortgage Account Number | | | |
| Mortgage Balance | | | |
| Amount of Payment per Month/Year | | | |
| 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.)

I authorize the Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness.

CERTIFICATION: (to be completed by each person submitting the information requested on this form)

By signing this form, I certify under penalty of criminal prosecution that all information on this form and any additional supporting information submitted with this form is true and complete to the best of my knowledge. I understand that SGRC or its participating Lenders will rely on this information when making decisions regarding an application for a loan.

Signature _____

Date _____

Print Name _____

Social Security No. _____

Signature _____

Date _____

Print Name _____

Social Security No. _____

NOTICE TO LOAN AND SURETY BOND APPLICANTS: CRIMINAL PENALTIES AND ADMINISTRATIVE REMEDIES FOR FALSE STATEMENTS:

Knowingly making a false statement on this form is a violation of Federal law and could result in criminal prosecution, significant civil penalties, and a denial of your loan or surety bond application. A false statement is punishable under 18 U.S.C. §§ 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 U.S.C. § 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally-insured institution, a false statement is punishable under 18 U.S.C. § 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000. Additionally, false statements can lead to treble damages and civil penalties under the False Claims Act, 31 U.S.C. § 3729, and other administrative remedies including suspension and debarment.

MANAGEMENT RESUME

Please fill in all spaces. If an item is not applicable, please indicate as such. You may include additional relevant information on a separate exhibit. SIGN/DATE where indicated.

PERSONAL INFORMATION:

NAME _____ SS# _____

DATE OF BIRTH _____ PLACE OF BIRTH _____

RESIDENCE TELEPHONE _____ BUSINESS TELEPHONE _____

RESIDENCE ADDRESS _____

FROM _____ TO _____

PREVIOUS ADDRESS _____

FROM _____ TO _____

ARE YOU EMPLOYED BY THE U.S. GOVERNMENT? YES NO

AGENCY/POSITION _____

ARE YOU A U.S. CITIZEN? YES NO

IF NO, ALIEN REGISTRATION # _____

EDUCATION:

| College/Technical Training- Name/Location | Dates Attended | Major | Degree/Certificate |
|--|----------------|-------|--------------------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

MILITARY SERVICE BACKGROUND:

Branch of Service _____ Dates of Service _____

Honorable Discharge _____ Rank at Discharge _____

WORK EXPERIENCE: List chronologically beginning with present employment.

Company/Name/Location _____

From _____ To _____ Title _____

Duties _____

Company/Name/Location _____

From _____ To _____ Title _____

Duties _____

Company/Name/Location _____

From _____ To _____ Title _____

Duties _____

Note: You may include additional relevant information on a separate exhibit.

Comment on your background (education, training, work experience and temperament) that especially qualifies you to own and operate this business.

Source of personal funds required of you for project if applicable:

Please list 3 credit/banking references and contact information:

BUSINESS DEBT SCHEDULE

COMPANY NAME:

Date:

Signature:

Indebtedness: Furnish the following information on all installment debts, contracts, notes, and mortgages payable. Indicate by asterisk (*) items to be paid by loan proceeds and reason for paying same (present balance should agree with latest balance sheet submitted). Do not include accounts payable or accrued liabilities.

| CREDITOR Name and Address | Original Date | Original Amount | Present Balance | Interest Rate (%) | Monthly Payment | Maturity Date | Collateral/Security |
|------------------------------|------------------|--------------------|--------------------|----------------------|--------------------|------------------|---------------------|
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| Total Present Balance | | | | | | | |

Credit Report Authorization

I declare that the information provided in this application is true and correct. I hereby authorize the release of any and all credit reports and other information required in the processing of my loan application and as required in the servicing during the term of my loan. I further authorize SGRC Lending to release such information to any entity as required in the processing of my loan application.

I hereby certify that the enclosed information, including any attachments or exhibits provided herein, is valid and correct to the best of my knowledge.

Signature

Date