



# STARTUP (< 2 yrs sales) Business Loan Checklist

## APPLICATION PROCESS AND TIMELINE – READ THIS!

- First, check with Community Capital staff to determine your eligibility for a loan and to discuss the timeline for the application review and for loan closing if the application is approved.
- Second, submit the non-refundable application fee and the documents described below as well as the attached BUSINESS APPLICATION, PERSONAL FINANCIAL STATEMENT, and MUNICIPAL COMPATIBILITY STATEMENT.
- Third, a Community Capital Loan Officer will review your request and contact you for additional information.

## A. ELIGIBILITY CHECKLIST

Your business is eligible to apply for financing if it meets the following criteria:

- Meets Community Capital’s requirements for income eligibility or job creation/retention
- Operates with the necessary permits, has a history of compliance with regulations and permits, is compatible with the plan of the municipality in which it is located, and does not otherwise place unusually high demands on municipal services
- Can demonstrate site control (e.g. copy of lease or document showing ownership of space)
- Is in good standing with, or in full compliance with plan to pay, any and all federal, state and local taxes
- Its principals have not been convicted of a felony within the past 3 years

<b>B. BUSINESS PLAN</b> – submit a concise yet specific business plan containing the following:	
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|---|---|
| ___ 1.  | Executive summary – the most important points of your business plan in summary  |
| ___ 2.  | Business description – goods/services offered, history of business  |
| ___ 3.  | Market description & Competitive analysis – business’s target market, competition, competitive advantage                                      |
| ___ 4.  | Market plan – strategy for reaching business’s target market  |
| ___ 5.  | Management Plan – owner’s experience and skills; managing business tasks  |
| ___ 6.  | Operations – hours of operation; employee hiring and management plan  |
| ___ 7.  | Post-Loan Technical Assistance Plan – plan for outside assistance in implementation of business plan  |
| ___ 8.  | Contingency Plan – potential business risks and your plans for mitigating such risks  |
| ___ 9.  | Sources & Uses of funds – spreadsheet describing detailed uses and sources of funds   |
| ___ 10.   | Projections – monthly cash flow pro forma for first year, quarterly for next 2 years; projected balance sheet as of the first day of business |
| ___ 11.   | Projection narrative – explain assumptions behind sales and expense figures   |
| ___ 12.   | Capital Equipment List – provide list of existing equipment and book value  |
| <i>SEE NEXT PAGE FOR MORE ON OUR REQUIREMENTS FOR BUSINESS PLANS.</i> |   |

## C. ASSOCIATED REQUIRED DOCUMENTATION

- |        |   |
|--------|---|
| ___ 1. | <b>FEMA Floodplain Map</b> – Copy of the relevant section of the Federal Emergency Management Agency (FEMA) floodplain map and indicate business location. Maps are available at town offices.  |
| ___ 2. | <b>Demonstration of Site Control</b> – If you are leasing space for your business, provide lease or a letter of intent from landlord. If you own the property, provide appropriate documentation such as a property tax bill or deed. |
| ___ 3. | <b>Personal Tax Returns</b> – Copy of complete Federal and State tax returns for each principal for the last two years.   |
| ___ 4. | <b>Business Financial Statements</b> If you have been operating with any revenue or expenses, please provide quarterly balance sheets, and income statements. Also provide Schedule of Assets and Inventory.                          |

## D. NON-REFUNDABLE APPLICATION FEE

- |        |   |
|--------|---|
| ___ 1. | <b>Submit Non-Refundable Application Fee</b> - \$25 for requests up to \$9,999 and \$50 for requests of \$10,000 or more. |
|--------|---|

**E. FREE RESOURCES TO HELP YOU COMPLETE YOUR APPLICATION AND BUSINESS PLAN:**

- MicroBusiness Development Program at the Community Action Agency in your region:
  - Champlain Valley Office of Economic Opportunity (CVOEO): 802-860-1417 or 800-287-7971
  - North East Kingdom Community Action (NECKA): 802-748-6048 or 800-639-4065
  - Central Vermont Community Action Council (CVCAC): 802-479-1053 or 800-639-1053
  - Bennington Rutland Opportunity Council (BROC): 802-775-0878 or 800-717-2762
  - South East Vermont Community Action (SEVCA): 802-464-9951 or 800-464-9951
- Vermont Small Business Development Center, [www.vtsbdc.org](http://www.vtsbdc.org) to get details on the SBDC program in your region.
- Vermont Women's Business Center, 1-800-266-4062.
- SCORE, call 802-828-4422, ext. 217 to get help on your application and business plan from a retired business executive.

**BUSINESS PLAN BASIC REQUIREMENTS**

*While each business is unique, writing a business plan typically involves addressing a standard set of issues, universal to all businesses. The following list includes questions that Community Capital expects your business plan to address.*

**A. Executive Summary**

1. Describe the most important features of your business. How much money do you need to borrow or invest in your business and for what purpose? What are your business goals in terms of revenue, net income, cash flow, job creation, owner's draw, etc?

**B. The Narrative**

1. Business Description - Describe your existing business or your new business concept? Explain the legal structure, name of owners, products or services sold, business location, etc.?
2. Market Description and Competitive Analysis - Who are your target customers and what motivates them to buy from you? What products or services does your business sell? What features and advantages do they have over your competition? What are your pricing strategies? Who are your competitors and how are you different from them? What are your strengths, and how will they help you to compete with similar businesses or services?
3. Market Plan - What promotional strategies and activities will you implement to attract new customers, and/or keep existing customers? How will these strategies and activities support your projected revenue?
4. Management - Describe your background, skills, and qualifications. Describe the key positions and/or people who will help you run your business?
5. Operations - How will you carry out the basic functions of your business? What systems or tools will you use to organize your operations? How will these systems and tools help you maintain your competitive edge?
6. Post-Loan Technical Assistance Plan - Every business can benefit from outside expertise to help them be successful in business. Describe what resources you will use (accountant, lawyer, business counselor, etc) to support your business success after the loan is made. Community Capital borrowers are eligible for a limited number of time with a specialized consultant of their choice as well as a small grant to fund business advancement activities. Talk with your business counselor and Community Capital Loan Officer for more details.
7. Contingency Plan - What are the potential risks facing your business? What are your plans to minimize them? How will you repay your loan to Community Capital if the business does not generate enough revenue?

**C. The Financials**

1. Sources and Uses of Funds - How much money is needed to support your business? Will it come from personal investment, lenders, or others? How will the money be used?
2. Projections - What is your business's projected financial picture? How much money will it cost to operate your business on a monthly basis and how much revenue can your business reasonably generate? How much can you pay yourself?
3. Projection Narrative - What are the assumptions behind your sales and expense figures? What is your rationale for your level of sales? How many customers will buy how many units of your product or service?
4. Capital Equipment List - What assets are owned by the business? What are their current values?



# Business Loan Application

DATE APP RECEIVED: \_\_\_\_\_ FEE PAID: \_\_\_\_\_

\$ \_\_\_\_\_ DATE PAID: \_\_\_\_\_

## A. BUSINESS DESCRIPTION

- Business Name: \_\_\_\_\_ 2. Federal Tax ID #: \_\_\_\_\_
- Business Address: \_\_\_\_\_
- Business Mailing Address: \_\_\_\_\_
- Contact Information: Business Phone: ( ) \_\_\_\_\_ Fax: ( ) \_\_\_\_\_ Email Address: \_\_\_\_\_

## B. FINANCING Please identify proposed sources and structure of financing:

Proposed Source(s) of Financing:	Terms:	Type of Loan*	Amount:
Community Capital of Vermont	_____	_____	_____
Other Sources: _____	_____	_____	_____

\*Identify whether you are applying for a traditional amortizing loan, or line of credit

## C. OWNERSHIP

- Business Type: Proprietorship \_\_\_ Partnership \_\_\_ Corp. \_\_\_ S Corp. \_\_\_ LLC \_\_\_ Non Profit \_\_\_
- Owners: Name: \_\_\_\_\_ Title: \_\_\_\_\_ %Ownership: \_\_\_\_\_ SSN#: \_\_\_\_\_  
Address: \_\_\_\_\_ Tel: \_\_\_\_\_ DOB: \_\_\_\_\_  
Name: \_\_\_\_\_ Title: \_\_\_\_\_ %Ownership: \_\_\_\_\_ SSN#: \_\_\_\_\_  
Address: \_\_\_\_\_ Tel: \_\_\_\_\_ DOB: \_\_\_\_\_
- Are you currently operating the business? Yes \_\_\_ No \_\_\_ For how long? \_\_\_ If YES, please state the number of full and part-time persons, including yourself that you employ. Full time \_\_\_ Part-time \_\_\_
- If, as a result of this loan, you expect to create and/or retain jobs, please state the total number of jobs your business will generate and/or retain, including yourself: Create: \_\_\_ full time \_\_\_ part time Retain: \_\_\_ full time \_\_\_ part time

5. Please answer the following questions: (If you answer "Yes", explain using a separate sheet of paper.

- Is this business a co-borrower or guarantor for any other business or individual?
- Are any examinations by authorities for sales, income or other taxes now in progress?
- Is your business currently involved in any lawsuit or pending litigation?
- Have you or your business ever declared bankruptcy?
- Does your business create any environmental hazards or risk?
- Are any tax payments (payroll, federal, state, property, etc.) delinquent?

Yes	No

**D. CERTIFICATION** The information provided above and in any accompanying documentation is true, accurate and complete to the best of my / our knowledge and I / we will notify Community Capital of Vermont of any material changes to such information. Signing authorizes Community Capital of Vermont and its duly authorized Agent to collect information related to the signers from time to time, including but not limited to, credit reports from credit reporting agencies, as well as to exchange information collected about the applicant(s) with the technical assistance provider(s) assisting with this business plan and/or application. I / we understand that this business loan application will remain the property of Community Capital of Vermont.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_ Signed: \_\_\_\_\_ Date: \_\_\_\_\_

EQUAL CREDIT OPPORTUNITY ACT The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Room 500, 633 Indiana Avenue, N.W., Washington, DC 20580.



# Personal Financial Statement

*Each principal owning 20% or more of the business should complete a Personal Financial Statement Form.*

Your name: \_\_\_\_\_ SSN#: \_\_\_\_\_  
 Home Phone Number: \_\_\_\_\_ Home Address: \_\_\_\_\_  
 Employer: \_\_\_\_\_ Address: \_\_\_\_\_  
 Length of Employment: \_\_\_\_\_ Job Title: \_\_\_\_\_  
 Number of persons in your household: \_\_\_\_\_ Do you have any dependents? \_\_\_ No \_\_\_ Yes How many? \_\_\_\_

**PERSONAL BALANCE SHEET** as of \_\_\_\_\_, \_\_\_\_\_ 2007. If you are married or civil unioned, this statement must reflect you and your partner's joint assets and liabilities and both you and your partner must sign this statement.

<u>Assets</u>	<u>Liabilities</u>
Cash on hand _____	Credit Cards _____
Account(s) in Bank _____	Notes Payable to Bank _____
US Government Bonds _____	Notes Payable to Others _____
Accounts and Notes Receivable _____	Installment Accts (Auto) _____
Life Insurance (cash surrender value) _____	Installment Accts (Other) _____
Other Stocks and Bonds _____	Loans on Life Insurance _____
Real Estate _____	Unpaid Taxes _____
Automobile – Present Value _____	Other Liabilities _____
Other Assets _____	<b>Total Liabilities (B)</b> _____
	<b>Net Worth (A-B)</b> _____
<b>Total Assets (A)</b> _____	<b>Total Liabilities &amp; Net Worth</b> _____

<b>Bank Account Information</b> (use extra sheet if necessary)			
Account in Name of	Bank Name & Location	Type of Account	Balance as of Today

<b>Loans</b> List all credit cards, personal loans, car loans and mortgages (use extra sheet if necessary)					
Loan Type	Lender Name	Original Amt.	Monthly Pmt.	Balance Owed	Maturity Date

<b>Real Estate Owned</b> (use extra sheet if necessary)							
Property Address	Legal Owner	Purchase (Yr, \$\$)	Market Value	Balance Owed	Maturity Date	Monthly Payment	Lender

<b>Business</b> List all businesses in which you are an owner/partner:						
Type of Investment	Date of Investment	Cost	% Owned	Current Market \$	Balance Due on Partnerships	Final Contribution Date

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**PERSONAL MONTHLY INCOME & EXPENSE STATEMENT** In case of a married or civil unioned couple, combine all income and expenses. If you share living expenses with a non-spouse, please include the full amount of rent, utilities, phone, and cable tv. **Do not include any business expenses on this form.** If there are certain expenses that don't come up monthly, but rather quarterly, yearly, etc., divide the annual amount of the expense by 12 months to arrive at an average monthly expense.

<b>MONTHLY INCOME</b>	<b>Self</b>	<b>Spouse or Other: _____</b>	<b>Total MONTHLY:</b>
Salary/Wages	\$ _____	\$ _____	\$ _____
Business Income	\$ _____	\$ _____	\$ _____
Real Estate Income	\$ _____	\$ _____	\$ _____
Net Investment Income	\$ _____	\$ _____	\$ _____
Other Income (Describe on separate sheet of paper)	\$ _____	\$ _____	\$ _____
<b>TOTAL:</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>

<b>MONTHLY EXPENSES</b>	<b><u>Monthly Payment</u></b>		<b><u>Monthly Payment</u></b>
House Payment (1 <sup>st</sup> Mtg) or Rent	\$ _____	Credit Card (total of all)	\$ _____
Utilities	\$ _____	Student Loans	\$ _____
Phone	\$ _____	Other Loans (list)	\$ _____
Cable TV	\$ _____	2nd / 3rd Mortgage pmts	\$ _____
Food	\$ _____	_____	\$ _____
Child Care	\$ _____	Health Insurance Premium	\$ _____
Taxes (home, self-employment, past due taxes)	\$ _____	Medical	\$ _____
Auto	\$ _____	House Maintenance & Repair	\$ _____
Loan / Lease Pmt 1	\$ _____	Personal & Household	\$ _____
Loan / Lease Pmt 2	\$ _____	Personal Travel	\$ _____
Gas	\$ _____	Entertainment	\$ _____
Maintenance	\$ _____	Clothing	\$ _____
Car Insurance	\$ _____	Miscellaneous Expenses	\$ _____
Contributions (church, charity, etc)	\$ _____	Other (Child support, alimony, etc)	\$ _____
<b>(continue in next column)</b>		<b>TOTAL MONTHLY EXPENSES</b>	<b>\$ _____</b>

Please provide us with names, addresses and phone numbers of three references who can vouch for your character and creditworthiness. At least two should be business or employment-related.

- Reference #1** Name: \_\_\_\_\_ Type of Reference: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_
- Reference #2** Name: \_\_\_\_\_ Type of Reference: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_
- Reference #3** Name: \_\_\_\_\_ Type of Reference: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_

**If you answer YES to any of the following questions, please provide details using a separate sheet of paper.**

1. Have you ever had a repossession? Yes \_\_\_ No \_\_\_
2. Have you ever been convicted of or pleaded no contest to a criminal offense? Yes \_\_\_ No \_\_\_

The information provided above and in any accompanying documentation is true, accurate and complete to the best of my / our knowledge and I / we will notify Community Capital of Vermont of any material changes to such information. Signing authorizes Community Capital of Vermont and its duly authorized Agent to collect information related to the signers from time to time, including but not limited to, credit reports from credit reporting agencies, as well as to exchange information collected about the applicant(s) with the technical assistance provider(s) assisting with this business plan and/or application. I / we understand that this business loan application will remain the property of Community Capital of Vermont.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_ Signed: \_\_\_\_\_ Date: \_\_\_\_\_

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P.O. Box 342, 107 N. Main St., Suite 7  
Barre, VT 05641  
(802) 479-0167

**NOTE TO APPLICANT: PLEASE bring this form to your local municipal zoning or clerk's office to have them sign off on this statement.**

### MUNICIPAL COMPATIBILITY STATEMENT

As the applicant, I, \_\_\_\_\_, certify that I have contacted the appropriate municipal official(s) of or I have read the Municipal Plan of the municipality in which the business is or will be located. Said municipality being

\_\_\_\_\_  
Town/City.

Based on this research, I believe that the business activities proposed are compatible with the Municipal Plan of the municipality in which the business is or will be located.

\_\_\_\_\_  
Applicant's Signature Date

As the municipal contact for Community Capital of Vermont, I certify that said applicant has presented their project to me and that the project is compatible with said Municipal Plan.

\_\_\_\_\_  
Signature of Appropriate Municipal Official Date

The following permits must be obtained for the business prior to operation in accordance with municipal zoning and other requirements (this section to be completed by appropriate municipal official).

- \_\_\_\_\_ Home Occupation Permit
- \_\_\_\_\_ Certificate of Occupancy
- \_\_\_\_\_ Other: \_\_\_\_\_
- \_\_\_\_\_ Other: \_\_\_\_\_