

PRELIMINARY CLOSING/PACKAGING CHECKLIST

This checklist has been provided to assist you in gathering the necessary information for the **credit evaluation** of your loan request. Please note that all items must contain an original signature and date. **Complete** information will be necessary to process your application. If you have any questions about the forms or require assistance in completing them, please contact your Business Development Officer.

Lending N Realty SBA Forms Packet (required from all applicants):

- 1. **Loan Application Form**
- 2. **History of Business Form**
- 3. **Business Debt Schedule**
- 4. **Personal Financial Statement** Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest & each general partner, or (3) each stockholder owning 20% or more voting stock & each corporate officer and director, or (4) each trustor/donor to a borrowing trust, or (5) other person or entity providing a guaranty on the loan. **(Please include the resources of spouse and any dependent children.)**
- 5. **Management Resume** (form enclosed) Provide complete resumes on all individuals owning 20% or more interest in the borrowing entity including key managers (copy form as needed).
- 6. **Signed Authorization to Release Information** Signed by all principals having 20% or more ownership interest in borrowing entity.
- 7. **IRS Form 4506- T – “Request for Copy or Transcript of Tax Returns”** – executed form required for operating business. **(Form included at the end of this application packet.)**

Business & Personal Financial Exhibits (required from all applicants):

- 1. **Business Financial Statements for three (3) prior years**, including Balance Sheets and Profit & Loss Statements, for existing business & any affiliates. (An affiliate is primarily defined as any entity that is controlled by the applicant, its’ stockholders, managers or directors or has control of the applicant business either through common ownership, management, previous relationships with or ties to another concern, and contractual relationships.)
- 2. **Federal Tax Returns for three (3) prior years** including all statements and schedules for existing business & any affiliates.
- 3. **Interim Profit & Loss, and Balance Sheet-** Within 45 days old for business being: 1) acquired, 2) existing/expanded, and 3) affiliates. **Also please include a comparable interim statement from the prior year.**
- 4. **Aging of Accounts Receivable and Accounts Payable Summary** (corresponding to dates of interim financial statements) - Please attach current internally generated A/R and A/P aging. (Include for affiliate business as well.)
- 5. **Personal Federal Tax Returns for three (3) prior years** including all statements and schedules - for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest & each general partner, or (3) each stockholder owning 20% or more voting stock & each corporate officer and director, or (4) each trustor/donor to a borrowing trust, or (5) other person or entity providing a guaranty on the loan.
- 6. **Written Explanation of any derogatory credit items.** – If you know of any derogatory items that may appear on your personal credit report, please include a written explanation along with any supporting documentation.

If your loan request involves commercial real estate you will also need to provide:

- 1. **Purchase Contract/Buy-Sell Agreement**
- 2. **Environmental Questionnaire (Form included)** – consult with your Business Development Officer.
- 3. **If your project involves new construction** – Provide copy of the construction contract (a draft is acceptable) and a copy of the plans & specifications for the proposed project. If your project is in the early stages of development, please provide a preliminary cost analysis.
- 4. **If your project involves refinancing** – Provide a copy of the notes and deeds on the real estate to be refinanced.

If your loan request involves a business acquisition you will also need to provide:

- 1. A copy of the proposed **Purchase & Sale Agreement or Letter of Intent** – complete with allocation of monies, signatures, exhibits, and addendums
- 2. **Federal Tax Returns on Seller's Business for three (3) prior years** including all statements and schedules for existing business & any affiliates.
- 3. **Business Financial Statements on Seller's Business** – complete Balance sheets and Profit & Loss statement of business to be acquired for the most recent last three fiscal years.
- 4. **Interim Profit & Loss, and Balance Sheet**- complete Balance sheets and Profit & Loss statement of business to be acquired, current within 45 days.
- 5. **IRS Form 4506- T – “Request for Copy or Transcript of Tax Returns” (Form included)** prepared for selling business and signed by seller.

If your loan request involves hotel/hospitality you will also need to provide:

- 1. **Smith Travel Research Report (aka STAR Report)** – with details about the hotel's occupancy rates, average daily rates, REVPAR, etc.; current within 60 days. Must include data on subject hotel as well as competitors.
- 2. **Quality Assurance Report (QAR) from Franchisor** – please provide most recent QAR on subject location including condition report on interior and exterior.

Depending on the specifics of your loan request you may also need to provide:

- 1. **If your request involves a franchised business: Copy of Proposed Franchise Agreement or Letter of Approval from Franchisor**
- 2. **If your request involves a franchised business: Franchise Disclosure Document (formerly UFOC) - provide a copy of the most current version of these documents.**
- 3. **If your request involves equipment financing: Purchase Orders, Invoices or Quotes** – with specific details about the equipment
- 4. **If your business is newly formed or expanding or your request is projection-based: 3 years of Business Projections** (form available from your Business Development Officer, if needed) Include a description of management, feasibility analysis, assumptions, site evaluation, and demographics. Note that the first year of projections must be monthly.
- 5. **If your request involves a gas station: Gallonage reports for the last 3 years**
- 6. **Business Plan** (for new businesses or as requested)
- 7. **Lease(s)** – complete copies of all existing or proposed leases.