



Small Business Lending Center Microenterprise Loans

Loans from \$500-\$10,000

Rates and Terms:

- Fixed Rates 8.75%-10%, for up to six years
- 7% for up to 10 years for Energy Efficiency Projects (see Loan Manager for eligibility details.)

Eligible Loan Uses for New and Expanding Businesses

- Machinery & Equipment, including Energy efficiency equipment
- Furniture & Fixtures
- Inventory & Supplies
- Working Capital

(Refinancing, lines of credit, construction/real estate purchases or debt consolidation are not eligible uses under the Microloan Program)

Application Process:

There is a two-stage application process, which includes a Conditional Approval and then a Final Application package.

2. Final Loan Application Package

(approval within 5 working days after receipt of this package)

For final approval borrower needs to supply the following:

- Completed Business Plan Questionnaire or Business Plan
- Balance Sheet and Debt Schedule
- Personal Financial Statement
- Owner's Resume, for each owner
- Projected income Statement

Loan Application Fee of \$50, due with application package, plus any filing fees and recording fees generated by a title company will be charged to borrower(s). Estimates of those fees will be provided.

There is a monthly service fee on approved loans of \$8 and late payment penalties will apply. Payment schedule and loan reporting requirements are in the Loan Application Package.

Small Business Lending Center
Business Plan Questionnaire

Borrower Name(s) _____

Business Name: _____ Phone: _____

What products does your business sell or what services does your business provide? (List each of your products/services in order of importance.)

What is your business' "competitive edge"? Why should prospective customers buy the product you sell or service you provide in stead of the product/service of your competitors?

Do you manufacture (construct or build) the products your business sells? Describe how they are made. (Service businesses need not answer.)

What products does your business buy? (For example, if your business is a restaurant, you probably buy milk, eggs, cheese, etc...from a grocer?) What payment arrangements, if any, have you made with the companies you buy products from?

If possible, provide a list of your primary/regular customers.

List the names of your primary competitors. What are their overall strengths and weaknesses? How do they advertise? Who do your competitors sell their products or services to?

Business Plan Questionnaire—page 2

How did you determine the price of the products you sell or services you provide? Are your prices based on your competitors' prices, how much it costs you to provide the service or buy the product you sell, the value of the service/product to the customer, etc...?

Describe any discounts on any of the services you provide or products you sell. (Example: Customers who pay their invoices within 10 days of receipt are given a 10% discount, etc.)

Describe any credit you offer to your customers. (Example: Cash only, 50% up front, pay upon receipt of invoice within 15 days, etc...)

How do you advertise and promote your product or service? (Example: Word of mouth, yellow page advertisements, TV or radio advertisements, telemarketing, flyers, brochures, etc.)

How do you sell your product or service? (Example: Door to door? Do you want for customers to contact you? Is your product on display in stores? How long and how often is your product displayed?)

Do you sell your products or provide your services directly to the customer or do you go through "middlemen"?

Business Plan Questionnaire—page 3

Describe your organizational structure, including relevant personnel.

Provide a list of key resource people who will help you with your business such as a lawyer, a CPA, a tax preparer, a bookkeeper, a marketing advisor, etc...Please provide the full name, title/position, address, phone number for each of these resource people.

Please return this completed form and any other documentation to
Arcata Economic Development Corporation, attention Kelli Denney, 100 Ericson Ct. Ste.
100A, Arcata, CA 95521. Fax. 707-822-8982. Call 822-4616 to schedule a follow-up
appointment.

Projected Balance Sheet- Year

ASSETS

Current Assets

Cash Checking	_____
Cash Savings	_____
Inventory	_____
Accounts Receivable	_____
Other:	_____
Other:	_____
Total Current Assets	_____

Fixed Assets

Furniture & Fixtures	_____
Equipment & Machinery	_____
Vehicles	_____
Unimproved Land	_____
Improved Real Estate	_____
Accumulated Depreciation	_____
Other:	_____
Total Fixed Assets	_____

TOTAL ASSETS

LIABILITIES:

Current Liabilities

Accounts Payable	_____
Accrued Expenses	_____
Short Term Debt	_____
Current Portion LTD	_____
Other:	_____
Other:	_____
Total Current Liabilities	_____

Long-term Liabilities

Notes Payable:	_____
_____	_____
_____	_____
_____	_____
Less Current Portion	_____
Other:	_____
Other:	_____
Total Long-term Liabilities	_____

TOTAL LIABILITIES

NET WORTH/EQUITY

Owner's Capital	_____
Net Profit/Loss for Period	_____
Less Owner's Draws	_____
Total Net Worth/Equity	_____

Total Liab and Equity

Assets should equal Liabilities plus Net Worth/Equity

PLEASE LIST ALL EXISTING BUSINESS DEBTS

DEBT SCHEDULE

Date _____ *

CREDITOR NAME/ADDRESS	ORIGINAL AMOUNT	ORIGINAL DATE	PRESENT BALANCE	INT. RATE	MATURITY DATE	MONTHLY PAYMENT	SECURITY	CURRENT OR DELINQUENT
TOTAL PRESENT BLANCE**				TOTAL MONTHLY PAYMENT				

* Should be the same date as current financial statement
 ** Total must agree with balance shown on current financial statement

Signature _____

Date _____

ARCATA ECONOMIC DEVELOPMENT CORPORATION
 100 Ericson Court, Suite 100, Arcata, CA 95521
 (707) 822-4616

PERSONAL FINANCIAL STATEMENT

Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock, or (4) any other person or entity providing a guaranty on the loan.

Name	Business Phone
Residence Address	Residence Phone
City, State	Zip Code

Business Name of Applicant/Borrower:

ASSETS	LIABILITIES
Cash on hand & in Banks..... \$ _____	Accounts Payable..... \$ _____
Savings Accounts..... \$ _____	Notes Payable to Banks and Others..... \$ _____
IRA or Other Retirement Account..... \$ _____	(Describe in Section 2)
Accounts & Notes Receivable..... \$ _____	Installment Account (Auto)..... \$ _____
Life Insurance-Cash Surr Value Only.... \$ _____	Mo. Payments \$ _____
(complete in Section 8)	Installment Account (Other)..... \$ _____
Stocks and Bonds..... \$ _____	Mo. Payments \$ _____
(Describe in Section 3)	Loan on Life Insurance..... \$ _____
Real Estate..... \$ _____	Mortgages on Real Estate..... \$ _____
(Describe in Section 4)	(Describe in Section 4)
Automobile - Present Value..... \$ _____	Unpaid Taxes..... \$ _____
Other Personal Property..... \$ _____	(Describe in Section 6)
(Describe in Section 5)	Other Liabilities..... \$ _____
Other Assets..... \$ _____	(Describe in Section 7)
(Describe in Section 5)	Total Liabilities..... \$ _____
Total..... \$ _____	Net Worth..... \$ _____
	Total..... \$ _____

Section 1. Source of Income	Contingent Liabilities
Salary..... \$ _____	As Endorser or Co-Maker..... \$ _____
Net Investment Income..... \$ _____	Legal Claims & Judgements..... \$ _____
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 need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

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

Name and Address of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

