



"A HELPING HAND FOR YOUR SMALL BUSINESS."



Community & Economic Development  
Department  
Business Development Division

### **OGDEN CITY APPLICATION PACKET**

Below is listed the information required for a loan request for an Ogden City Corporation small business loan:

- ❖ **Loan Application – (Small Business / Commercial) – fully completed**
- ❖ **Current pay stub on all borrowers, if applicable (including any other relative living in the home who is employed), plus any other additional applicable income documentation**
- ❖ **Most current 3 years businesss financial statements AND tax returns (for EXISTING businesses)**
- ❖ **Most current 3 years personal tax returns**
- ❖ **Current collateral list showing all assets presently owned and/or to be purchased**
- ❖ **Current Operating Statement on Business if Self-Employed**
- ❖ **Business Plan including:**
  - ❖ **Description of the company, product/service, market and market strategy, competition and management**
  - ❖ **Financial projections on a monthly basis for at least three full years**
  - ❖ **Personal financial statement for each key owner**
- ❖ **Copy of all Lease Agreements on property to be secured, if applicable**
- ❖ **Insurance Coverage/Copy of Policy on property, if applicable**
- ❖ **Cash Flow Statement on property to be secured, if applicable**
- ❖ **Specific list of the intended use of Ogden City small business loan funds**
- ❖ **\$100.00 Application/Credit Fee**

Upon receipt of the loan package, the information will be reviewed for completeness and a determination will be made as to whether additional information is required. When a complete application package has been assembled, it will be presented before the Loan Committee. At that time a determination will be made whether or not the request complies with our program guidelines as an eligible use of Community Development Block Grant Funds. If an approval is granted by the Loan Committee, loan closings are usually scheduled 1-3 weeks thereafter, depending upon the extent of any additional documentation that may be required. Loans will be considered on a first-come-first-served basis. Loans will be made to the extent funding is budgeted for, and available from the Agency's Annual Implementation Budget.

Your interest in Ogden City's Small Business Loan Program is appreciated. We hope to develop a mutually satisfactory business relationship with you. If you have any questions regarding our program or the required documentation, please feel free to contact me at 629-8604.

Sincerely,

Jeanne M. Harris  
Sr. Project Coordinator  
BIC Manager

# OGDEN CITY

## Loan Application



### 1. General Information

Name of Applicant \_\_\_\_\_

Name of Business \_\_\_\_\_

Address of Business \_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Business Bank of account: \_\_\_\_\_

Branch Address: \_\_\_\_\_

Account Number: \_\_\_\_\_

Bank Officer: \_\_\_\_\_

### II Ownership & Management

Structure of Business (Check One)

- Corporation       Professional Corporation       Trading As/Doing Business As
- Sub Chapter S Corp       Partnership       Sole Proprietorship

Ownership of applicant company (List all owners & stockholders with 20% or more of total ownership)

<i>Name</i>	<i>Percentage Owned</i>
1. _____	_____
2. _____	_____
3. _____	_____

Note: **There is a \$100 application fee payable to Ogden City when this application is submitted.**  
*This fee is not refundable*

**Key Management:**

<i>Name</i>	<i>Titles/Duties</i>	<i>Years with Co.</i>	<i>Annual Comp. Salary/ Bonus</i>	<i>Life Ins. Amount</i>
1.				
2.				
3.				

**III. Company History/Profile**

Month/year business was established: \_\_\_\_\_/\_\_\_\_\_ Tax I.D. or EIN # \_\_\_\_\_

Line of Business: \_\_\_\_\_ SIC: \_\_\_\_\_

**Employment:**

Number of Employees: Full Time: \_\_\_\_\_ Part-time \_\_\_\_\_

Number of Employees (Next Year) Full Time: \_\_\_\_\_ Part-time \_\_\_\_\_

Jobs to be created (Next two Years) Full Time: \_\_\_\_\_ Part-time \_\_\_\_\_

**IV. Market**

**Five Largest Customers:** (not applicable to retail businesses)

1. <i>(Name/Contact Person)</i>	<i>(Net Sales)</i>
<i>(Address/ Phone Number)</i>	
2.	
3.	
4.	

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**Five Largest Suppliers:**

1. <i>(Name/Contact Person)</i>	<i>(Credit Amount)</i>
<i>(Address/ Phone Number)</i>	
2.	
3.	
4.	
5.	

**Major Competitors:**

1. <i>(Name)</i>	3.
<i>(Address)</i>	
2.	4.

**V. Existing Business Loans Payable**

Whom Payable/ Account Number	Original Amount	Loan Date month/year	Terms	Interest Rate	Outstanding Balance	Collateral
1.						
2.						
3.						

**VI. Description of Proposed Financing**

**Loan Request: (Please Itemize):**

Real Estate Acquisition: \$ \_\_\_\_\_

Building Renovations \_\_\_\_\_

Leasehold Improvements \_\_\_\_\_

Machinery & Equipment \_\_\_\_\_

Inventory \_\_\_\_\_

Working Capital \_\_\_\_\_

Other (describe) \_\_\_\_\_

\_\_\_\_\_

Total Project Costs \_\_\_\_\_

Owners Equity \_\_\_\_\_

Total Loan Request: \$ \_\_\_\_\_

*(Total Loan Request = Total Project Costs minus Owners Equity)*

## VII. Support Information & Statements Required

1. Current (within 90 days) and previous three years' business financial statements and/or federal Tax returns
2. If the business is less than two years old, submit projected income statement for two years Following receipt of the loan and a projected monthly cash flow statement for one year after the Loan. (Assistance for this item is available through the BIC) (*Business Information Center*).
3. Complete Business Plan (Assistance for this item is available through the BIC)
4. Personal federal income tax returns for the past two years, from all owners with 20% or more ownership. (*Please use enclosed form*)
5. Personal federal income tax returns for the past two years, from all owners with 20% or more ownership.
6. For all equipment purchases and/or minor building renovations, provide contractors estimates, suppliers price quotations and purchase orders.
7. If you are planning to purchase real estate, please submit a complete copy of the Agreement of Sale. If you own the property to be renovated, submit a copy of the deed.
8. If you currently rent your current location, submit a copy of the lease.
9. If you are planning to renovate commercial real estate, please submit preliminary plans and specifications for new construction or renovation and cost estimates prepared by a qualified, independent third party (General Contractor or Architect).
10. Explain how the loan will affect your business goals regarding production, sales, profits Jobs created, etc.
11. Any additional information which will assist Ogden City in analyzing your application.

***Please submit this application with the additional information requested***

I/We authorize Ogden City to investigate my/our personal and business financial credit history as necessary to process a loan application. The undersigned authorize any person or consumer reporting agency to give you any information it may have on the undersigned. Each of the undersigned authorizes you to answer questions about your credit experience with the undersigned. THE UNDERSIGNED, in applying for financial assistance from Ogden City recognizes that prior to receiving any financial assistance he or she will agree to comply with all federal, state and local laws and regulations to the extent that such are applicable:

\_\_\_\_\_  
**Name of Business:**

\_\_\_\_\_  
**Signature/Title**

\_\_\_\_\_  
**Date:**

\_\_\_\_\_  
**Signature/Title:**

### **Equal Credit Employment Act**

The Federal Equal Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, (age (providing 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 administrates 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



**SMALL BUSINESS LOAN PROGRAM**  
**APPLICATION ATTACHMENT**

The information provided in the attached application is true and complete to the best of my/our knowledge and belief. I/We consent to the disclosure of such information for purposes of verification related to my/our application for financial assistance. I/We understand that any willful misstatements will be grounds for disqualification. I/We hereby acknowledge receipt of the Small Business Loan Program Guidelines and agree to comply with procedures and requirements specified therein.

**PENALTY FOR FALSE OR FRAUDULENT STATEMENT.** U.S.C. Title 18, Sec 1001, provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years or both."

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-applicant

\_\_\_\_\_  
Date



**OGDEN SMALL BUSINESS LOAN PROGRAM**  
**VERIFICATION APPROVAL FORM**

This is authority for Ogden City or Ogden City Corp. to verify my bank accounts, employment, outstanding debts, including any present or previous mortgages, to order a consumer credit report, and to make any other inquiries pertaining to my qualifications for a loan from Ogden City or Ogden City RDA. Ogden City or Ogden City RDA may make copies of this letter for distribution to any party with which I have a financial or credit relationship and that party may treat such copy as an original.

**Privacy Act Notice:** This information is to be used by the agency collecting it or its assignees in determining whether you qualify as a prospective borrower under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not your application for approval as a prospective borrower may be delayed or rejected.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Applicant

\_\_\_\_\_  
Date



# 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 and each corporate officer and director, or (4) any other person or entity providing a guaranty on the loan.

<b>Name:</b>	<b>Business Phone:</b>
<b>Residence Address:</b>	<b>Residence Phone:</b>
<b>City, State &amp; ZIP Code:</b>	
<b>Business Name of Applicant / Borrower:</b>	

ASSETS		LIABILITIES	
Cash on Hand & in Banks		Accounts Payable	
Savings Accounts		Notes Payable to Banks & Others (Describe in Section 2)	
Savings Accounts		Installment Account (Auto #1)	
IRA or Other Retirement Accounts		Installment Account (Auto #2)	
Accounts & Notes Receivable		Installment Account (Other #1)	
Life Insurance – Cash Surrender Value Only (Section 8)		Installment Account (Other #2)	
Stocks and Bonds (Describe in Section 3)		Installment Account (Other #3)	
Real Estate (Describe in Section 4)		Loans on Life Insurance	
Automobiles – Present Value		Mortgages on Real Estate (Describe in Section 4)	
Other Personal Property (Describe in Section 8)		Unpaid Taxes (Describe in Section 6)	
Other Assets (Describe in Section 5)		Other Liabilities ( Describe in Section 7)	
<b>Total Assets</b>		<b>Total Liabilities</b>	
<b>Net Worth</b>		\$	

Section 1. Sources 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		Other Special Debts	
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 towards total income.			

Section 2. Notes Payable to Banks and Others			(Use attachments, if necessary. Each attachment must be identified as a 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

Section 3. Stocks and Bonds.			(Use attachments, if necessary. Each attachment must be identified as a part of this statement and signed.)		
Number of Shares	Name of Securities	Cost	Quotation/Exchange	Quotation/Exchange	Total Value


<b>Section 4. Real Estate Owned</b>		(List each parcel separately. Use attachments, if necessary. Each attachment must be identified as a part of this statement and signed.)			
	Property A	Property B	Property C		
Type of Property					
Name & Address of Title Holder					
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					

<b>Section 5. Other Personal Property and Other Assets</b>	(Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment.)

<b>Section 6. Unpaid Taxes</b>	(Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

<b>Section 7. Other Liabilities</b>	(Describe in detail.)

<b>Section 8. Life Insurance Held</b>	(Give face amount and cash surrender value of policies – name of insurance company and beneficiaries.)

I authorize Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my credit worthiness. I certify the above and the statements contained in the statements are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan.

**PENALTY FOR FALSE OR FRAUDULENT STATEMENT.** U.S.C. Title 18, Sec 1001, provides: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years or both.

Signature:		
	Date:	Social Security Number:
Signature:		
	Date:	Social Security Number:

## PERSONAL CASH FLOW STATEMENT

<b>Name:</b>		<b>Spouse:</b>	
This Cash Flow Statement is part of my financial statement dated: _____		Individual <input type="checkbox"/>	Joint <input type="checkbox"/>
<b>SOURCES OF INCOME</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>	<b>NEXT YEAR ANTICIPATED</b>
Salaries, Wages, Commissions, Bonuses			
Rental Income			
Interest, Royalties, Dividends, Etc.			
Distribution from Estates and Trusts			
Sale of Assets			
Cash Received from Individual Businesses			
Cash Received from Partnerships			
Cash Received from "S" Corporations			
Cash Received from LLC's			
IRA Distributions			
Income Tax Refunds			
Other			
Other			
Other			
<b>TOTAL INCOME</b>			
<b>EXPENSES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>	<b>NEXT YEAR ANTICIPATED</b>
Bank Loans (Principal & Interest)			
Mortgage Loans (Principal & Interest)			
Insurance			
Household Expenses (Food, Clothing, Etc.)			
Charge Accounts			
IRA Contributions			
Charitable Contributions			
Business Payments (Capitalizations, Etc.)			
Income Taxes			
Other			
Other			
Other			
<b>TOTAL EXPENSES</b>			
<b>CASH FLOW SURPLUS (DEFICIT)</b>			
<b>CONTINGENT LIABILITIES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>	<b>NEXT YEAR ANTICIPATED</b>
As Endorser, Co maker or Guarantor			
On Leases or Contracts			
Legal Claims or Judgments			
Other (Alimony, Child Support, Etc.)			
<b>TOTAL CONTINGENT LIABILITIES</b>			
Signature: _____		Date: _____	
Signature: _____		Date: _____	

# The Business Plan

## To be used as a Financing Proposal



A business plan is a formal document that includes a description of your company's history, present condition, short and long term goals and objectives, and the strategy you have developed to achieve these goals and objectives. When used as a financing proposal to secure funding, the business plan can be thought of as a sales tool, should be carefully prepared, accurate, persuasive and, above all, honest. If there are problems point them out and explain how you intend to solve them. ***You must assume that your audience knows nothing about your business or product***, so explain briefly, but fully.

A high quality proposal does not guarantee approval, but it can make the difference in a marginal application. It demonstrates your awareness of financial and managerial responsibility to the potential financier. The time and effort required to prepare the best possible presentation can be considered an investment in your company's future.

All of the issues developed for your financing proposal will make up the core of a sound business plan. As you write it, you will probably view your company from a different perspective. You may discover some weak points you didn't realize existed. Uncovering these at the early stage of writing the plan allows you to take immediate corrective action, or at least develop a plan for correcting the problem. In addition to these fundamental business issues, you will include information with respect to the amount of money you want to borrow, the use of the funds, the available collateral and your method to repay the loan.

### ELEMENTS OF A BUSINESS PLAN USED AS A FINANCING PROPOSAL

**SUMMARY:** Briefly summarize the highlights and most significant issues in your plan. Allow the reader to consider and evaluate the whole document and persuade them to continue reading. Include brief statements on the company, the business and its products or services, the market, the management, financial performance and projections. Be sure to highlight:

- Date
- Name and Location of the Business
- Type of Ownership (sole proprietor, partnership, corporation, limited liability company)
- Amount of financing required
- Length of time for repayment and frequency of repayment requested
- Use of Funds
- Collateral offered to secure the loan (real estate, equipment, etc.)
- Source of repayment (products, sale of assets, etc.) Be prepared to suggest both a primary and secondary source of repayment.
- Names of persons who will give a personal guarantee

**BUSINESS DESCRIPTION:** This section briefly describes what your company is all about.

- Type of business (retail, service, manufacturing, etc.)
- Date established and how long it's been under your ownership or management
- Reasons you are going/went into business – the “need/want” you business fulfills
- Goal(s) of the business and strategy for achieving them
- Founders and other key people involved
- Location – description of the facility occupied by the business, any special features it might have and lease terms, if applicable
- Overall strengths and weaknesses

**PRODUCT OR SERVICE:** This section briefly describes the products/services, special features, benefits and future development plans. Include:

- Products/services offered – if unique in any way, be sure the reader understands what the product or service is and what its use or application is. Include photographs, drawings, brochures, etc., when they will be helpful to the reader.
- State of development – idea, model, working prototype, etc.
- Method of production – capital, labor, materials, etc.
- Regulatory or approval requirements, potential liabilities
- Comparison of similar products/services of competitors
- Production and sales mix for product(s) or service(s)
- Costs of sales and profit by product or service
- Customers and end users
- Patents and proprietary features
- Strategic opportunities and plans for expanding/redesigning
- Projected changes in sales mix, costs and profits and reasons for changes

**MARKET:** This is one of the most difficult and important portions of the proposal. A large amount of research is often required, although it is possible that a major supplier or trade association can provide much of the needed data. Be sure not to overlook the value of local libraries, yellow pages, etc. Include:

- Target market – individuals, companies, industrial/commercial, government, etc.
- Segments of the market – geography, industry, etc.
- Target customer profile – demographics like age, sex, profession, income, geographic location, school needs, etc. (if your product/service only appeals to a specific type of user)
- Size and growth of the target market in terms of geography, population and dollar and/or unit sales for your type of goods
- Trends in the target market – and a comparison of your company's sales
- Identify your customers – their product/service preferences and reasons for purchasing
- Your company's current and projected market share
- Sales and profits by market segment and customer
- Competitors – (that you will face in each product/service) name, location, size, market share, competitive advantages and disadvantages

- Your competitive strategy (or basis you will compete on) – price, service, location, promotion, etc.
- Comparisons to competitors (strengths and weaknesses) – length of time in business, sales volume, size and number of location, employees, product/market niches, etc.
- Competition you might create by being successful
- Your business image
- Any test market results

Identify and document sources of the above information if possible.

**MARKET STRATEGY:** This section describes how you will enter the market, obtain a niche, maintain a market share and make the necessary sales to achieve the financial projections.

- Product/service sales appeal – uniqueness, specialty, quality
- Method to attract and maintain your market – image, customer service, quality, etc.
- Advertising message and promotional strategies
- Geographic areas to be covered
- Location advantages and disadvantages
- Method of distribution – direct, dealer network, other
- Sales personnel
- Service and warranty policies
- Pricing and credit policies
- Costs of marketing the product/service

**MANAGEMENT:** This section should demonstrate that management and leadership is capable and given every incentive to be successful. Most lenders consider strong management to be a critical factor in the success of any business. Frequently, proposals that are otherwise sound are rejected solely on the basis of what is perceived to be weak or inadequate management. Include:

- Key owners and managers
- Personal history of each person on your management team – emphasize the talents, skills, abilities, etc. they bring to the business that will make it successful
- Position, role, responsibilities and compensation of managers and employees
- Primary objective of current owners
- Members of your professional team – lawyer, accountant, banker, etc.

**USE OF FUNDS:** Include a complete breakdown and explanation of the proposed use of the requested funds and the expected benefits that the business and the community will realize. Expenditure for the purchase of real estate or for construction or remodeling should be described in sufficient detail that the reader will have a good understanding of the project. For purchase of machinery and equipment, include a list of make, model, functional description and unit cost. If available, include a sales brochure that describes the equipment.

**COLLATERAL:** Although the summary briefly mentions the types of collateral available, it is helpful to provide a detailed list. Identify equipment by make, model,

model year, if applicable, and serial number. For all presently owned collateral, show costs, book value, and estimated market value.

**FINANCIAL EXHIBITS:** The financial statements and projections reflect the summaries, in terms of dollars, of the business' history and planned future. Obviously, both sets of statements must be consistent with the narrative descriptions of the business, its plans, and the assumptions on which those plans are based. The financial statements should be accompanied by supporting documentation and explanations. Include:

- ***Balance sheets and income statements*** for the past three years, or for whatever time the business has existed. Include one not more than 90 days old
- ***Projected income statements and cash flow*** for the next one to three years, broken down by months. This document will show the effect of the requested funding on the company's earnings and on its ability to maintain a cash position that will support the planned sales and loan payments without additional borrowing. The projections should be consistent with the market data in the market section
- ***Projected balance sheet*** showing what the company's financial position will be if the loan is approved. A separate page that explains the assumptions used in making the projections.
- ***Personal financial statements*** of individuals who are to guarantee the loan
- Aging of accounts receivable and accounts payable. These are breakdowns by age of the amounts owed to and owed by the company. The usual categories are 0-30 days, 30-60 days, 60-90 days and over 90 days.
- ***Business*** (for existing businesses only) ***and personal income tax returns*** are often requested for up to three preceding years