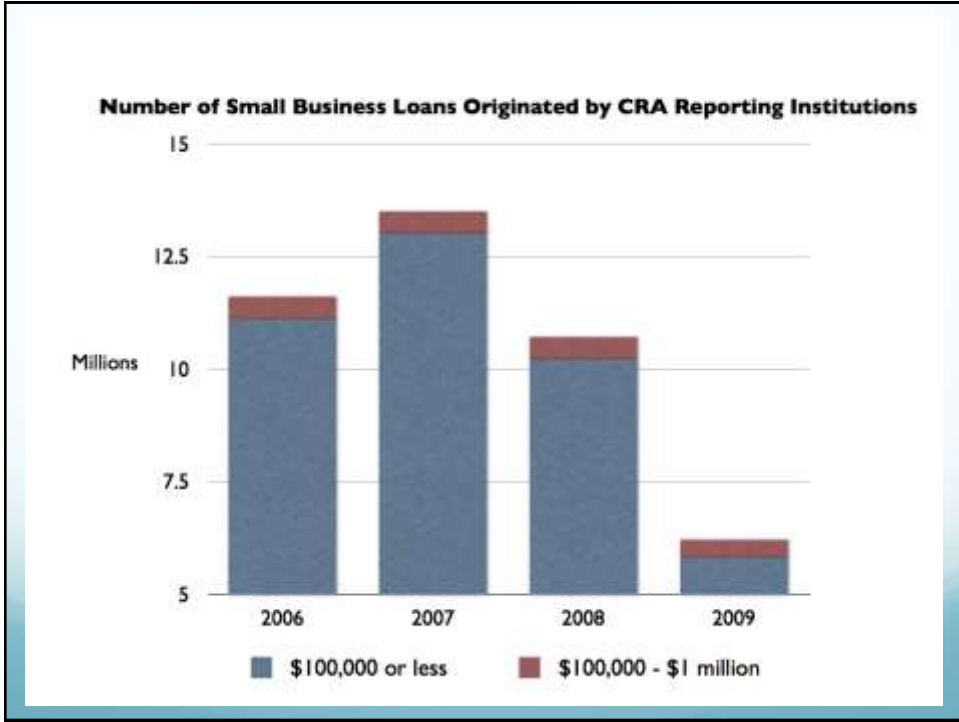


US Small Business Administration Loans

Mike O'Donnell
Colorado Lending Source



Conventional Financing

- Banks are not necessarily long-term lenders
- Lenders look at the 5 “C”s of lending:
 - **Capacity** – amount needed to be borrowed vs. ability to pay back
 - **Capital** – owner’s equity
 - **Collateral** – quality of assets pledged upon default
 - **Credit** – are bills paid on time?
 - **Character** – level of perceived integrity

Types of SBA Loans



Guaranteed / 7(a)
Loans



504 Loans



Micro-Loans

Types of 7(a) Loans



Export Loans



Patriot Express



Rural Business Loans



"Regular" 7(a) Loans



SBA Express



CAPLines

Types of SBA 504 Loans



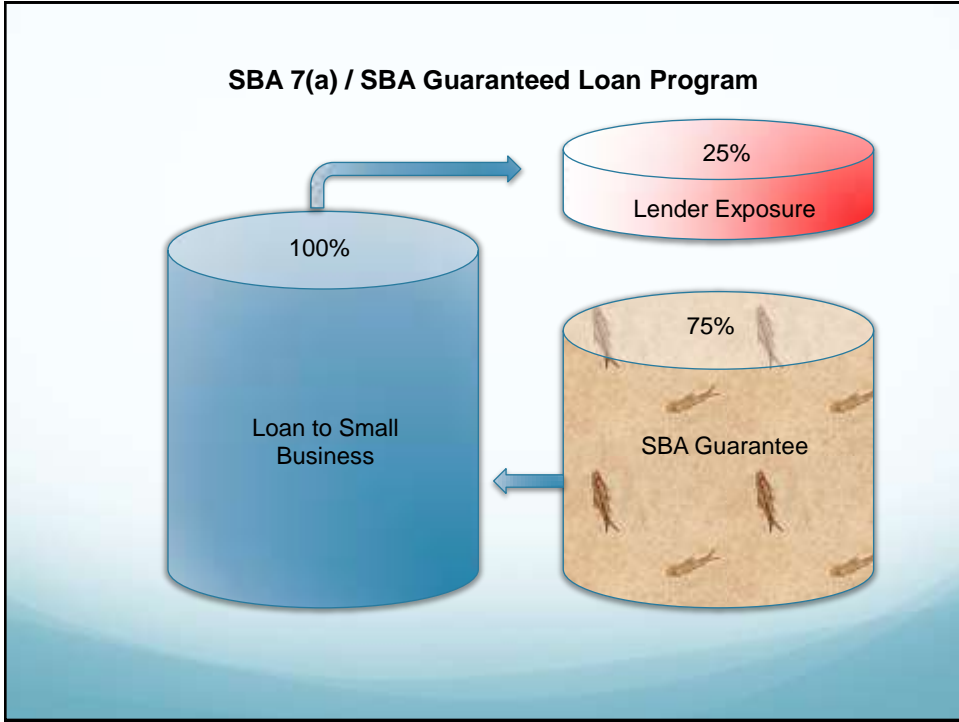
"Regular" 504 Loan Program



Temporary Standalone Refinance 504 Loan Program



Refinance with Expansion 504 Loan Program



Benefits / Costs

- Lower rates / longer terms / more opportunities to secure financing on the margin
- Fees are higher than for conventional loans

Loan Application Document Checklist

A list of the major items needed by Colorado Lending Source to process an SBA 7(a) loan application.

- BUSINESS TAX RETURNS:** Full copies of the last 3 tax returns for all existing businesses involved with this loan application – please sign and date the bottom of the first page of each tax return.
- BUSINESS YEAR END FINANCIAL STATEMENTS:** Copies of the last 2 year-end business financial statements (P&L plus balance sheets) for all existing businesses involved with this loan application – please sign and date the bottom of the first page of each statement.
- BUSINESS INTERIM FINANCIAL STATEMENT:** Copy of an interim business financial statement (dated within 90 days) for all existing businesses involved with this loan – please sign and date the bottom of the first page.
- BUSINESS ACCOUNTS AGING:** Copy of an Accounts Payable / Accounts Receivable aging report as at the same date of the business interim financial statement, or complete the summary aging data on page 9.
- PERSONAL TAX RETURNS:** Full copies of the last 2 personal tax returns for everyone owning 20% or more of any of the businesses involved with this loan application – please sign and date the bottom of the first page of each return.
- PERSONAL FINANCIAL STATEMENTS:** Every individual owning 20% or more of any of the entities involved with this loan application must complete and provide a personal financial statement (dated within 90 days). Husbands and wives completing a joint personal financial statement must both sign the form or alternatively submit separate statements – an SBA-version of a personal financial statement has been included within this booklet.
- PERSONAL HISTORY STATEMENT (SBA FORM 912):** This form must be completed by everyone owning 20% or more of any of the businesses involved with this loan application, as well as ALL the officers of the operating business (if different) – this mandatory SBA form has been included within this booklet.
- COST DOCUMENTS:** Copies of ALL available project "Cost Documents" – i.e., real estate contracts, buy-sell agreement, construction bids or quotes, detailed listing of machinery or equipment to be purchased, cost quotes, etc.
- AFFILIATE BUSINESS TAX RETURNS & FINANCIAL STATEMENTS:** Copies of financial information on all affiliated businesses – last 2 tax returns plus an interim financial statement dated within the last 120 days (if applicable).
- BUSINESS HISTORY:** Information on the history of business and the backgrounds of key principals / managers. Please provide a brief story of your business on separately attached pieces of paper or a business plan.
- FINANCING PROJECT INFORMATION (including Debt Schedules and Projected Profit & Loss numbers for the next two years):** Please complete pages 8 - 10 of this booklet.

Other Options ...

- City / County / Regional / State Loan Programs
- USDA Business & Industry (B&I) Loan Program

Mike O'Donnell
mike@clsLoans.org
303-657-0010