

Small Business Micro-Loan Application

Thank you for contacting Port Arthur Economic Development Corporation (PAEDC) for a Small Business Micro-Loan!



The basic steps in applying for the Micro-Loan are:

- Send your completed Micro-Loan Application to the PAEDC and set up a meeting with our Loan Officer/Technical Advisor.
- Bring each of the items in Part I on the back page of the Micro Loan Application to your meeting. We will discuss your application materials with you, answer questions that you have, and tell you what information is still needed. Once your application is ready, you will need to pay \$10 for processing (Non-Refundable).

When our Loan Officer has received all of your information, (s\he) will prepare and present a report to the Loan Review Committee. In making its decision, the Committee will study you:

1. Credit History. A person with a score of 600 or more does not need a co-signer. Do you pay your debts on time? Do you have judgments or bankruptcies?
2. Business Plan. What is your business idea? What items or services will you sell? What experience do you have in this or related types of business? Have you ever managed a business? How will you compete and market your business? What will be your monthly expenses and sales revenues for one year?
3. Collateral. We expect you to provide collateral equal to 100% of the loan. Examples include liens on an unfinanced vehicle, business assets, home equity, equipment, machinery, jewelry, and even cash. If you are unable to provide collateral, you will need a co-signer who has a credit score of over 650, collateral and/or moderate income with employment history of more than 2 years and who would be able to pay your loan balance if necessary. Please understand that SBDC can work closely with you to build a strong business plan so that your business will be successful.
4. Cash Contribution to the Business. You are expected to invest the remaining funds from your own savings.

We look forward to working with you!

Port Arthur Economic Development Corporation

GENERAL INFORMATION

Name: _____ Social Security No. _____
(Last) (First) (Initial)

Address: _____ Years at this address: _____

Tel. Numbers: Home _____ Cell _____ Work _____

Spouse's Name: _____ Address (if different than Current

Address): _____

Nearest Relative (not living with you): _____ Relationship: _____

Address: _____

Telephone: _____

EDUCATION

Highest Educational Degree (circle one): Middle School High School Associate BA/BS Master/ Ph.D
(Enter the year received): _____

Type of Degrees Earned:

WORK EXPERIENCE

(or provide a resume with your application)

Current Employer: _____

Address: _____

Salary: _____ Job Title: _____

How Long There: _____

Duties: _____

Supervisor's Name & Telephone: _____

Port Arthur Economic Development Corporation

Previous Employer: _____

Address: _____

Salary: _____ Job Title: _____

How Long There: _____

Duties: _____

Reason for Leaving: _____

Supervisor's Name & Telephone: _____

LOAN REQUEST INFORMATION

Loan Amount Requested: \$_____. Term Requested (circle one): 1 yr./ 2 yrs /3 yrs.

Purpose

How much money will you provide from your own funds? \$_____

If your loan request is \$20,000+, have you tried to get a bank loan and been turned down? Yes _____
No _____

PERMISSION TO OBTAIN YOUR CONSUMER CREDIT REPORT

I hereby give the Port Arthur Economic Development Corporation the right to obtain my consumer credit report for this application and for the life of the loan, should my application be approved. I also release from all liability all persons, companies, and corporations supplying such information. I indemnify the Port Arthur Economic Development Corporation against any liability, which might result from making such an investigation.

Name _____ SSN: _____
(Last) (First) (Initial)

____/____/_____
(Date of Birth) (Signature) (Date)

INFORMATION ABOUT BUSINESS

(A business plan including expected monthly revenues & expenses for 1 year will be requested later.)

Business name and address: _____ County: _____
 _____ Is this a new business? Yes ___ No ___ Date started ___/___/_____. Or, an existing
 business? Yes ___ No ___ Date started ___/___/_____. Organization type: Sole Proprietorship _____
 Partnership _____ LLC _____ S Corp. _____ C Corp _____

Your products/services:

REFERENCE

Name _____

Relationship to You _____

Address _____

Telephone _____

Are you currently six months or more behind in paying child support, as part
 of a court ordered agreement? _____ yes _____ no

Closing Costs

Loan Amount	Closing Costs
\$5,000 - \$10,000	\$100
\$10,001 - \$20,000	\$150
\$20,001 - \$25,000	\$200

Certification Statement

I certify that the information above is correct to the best of my knowledge. I authorize PAEDC to make inquiries as necessary to verify the accuracy of the statements made by me and to determine my creditworthiness. I have read and understand the costs outlined above. I agree to indemnify and hold harmless PAEDC, its officers, directors, employees, and agents from any and all claims, loss or other liability arising from or related to the services that PAEDC provides before, during, and after the loan review process. I agree to pay the required sums and I agree to be bound by the loan agreement, if my application is accepted.

Applicant Signature: _____

Date: _____

For PAEDC Internal Use:

Date Application Received: _____ Received by: _____

Items you will need to provide:

PART I

In addition to this application, bring the following to your meeting with our loan officer.

- \$10 (**non-refundable**)
- Solid co-signer, if your credit score is under 600.
- Business Plan, including expected cash revenues and expenses, by month, for one year.
- Federal Tax returns for the last 3 years.
- Two forms of identification: (one must have your picture). If U.S. Citizen, passport, birth certificate, voter Id. card or Certificate of Naturalization. If refugee/asylee, I-94 or Green Card.
- Personal Financial Statement. We have an SBA form for you to fill out.
- 3 Most recent bank statements and pay stubs.
- Personal or commercial driver's license and driving record if vehicle is to be purchased with the loan or is important to the business.
- For an existing business: income statement, balance sheet, and Federal business tax returns, all for the last 3 years.
- For a start-up business: Last 3 years personal Federal Tax Returns
- If a co-signer is needed – completed micro-loan application, credit history, personal Federal tax returns for last 3 years, and two I.D.'s, proof of being moderate income.
- If a co-signer is needed –3 recent bank statements, recent pay stub, collateral statement, and proof of ownership of any collateral.

PART II

If the loan receives preliminary approval, you will have to provide the following information.

- Proof of ownership of collateral. If real estate is collateral, a copy of deed of trust. [PAEDC will order a title search and place all liens at your cost]. If a vehicle is collateral, a copy of the title.
- Business registration form (sole proprietorship) or Articles of Incorporation w/ list of all shareholder/owners.
- Copy of all required licenses and permits. Applicants should secure a home occupancy/trade name registration from respective domicile (County, City, etc.) when applicable (trucks, home-based, etc.).
- Purchase orders or invoices for items to be purchased.
- Copy of lease (if applicable) – lease term must be equal to or exceed the term of the loan.
- Mechanical check for vehicles to be purchased or used as collateral.
- Personal or commercial driver's license and driving record if vehicle is to be purchased with the loan or is important to the business.
- Proof of business insurance – copy of policy (PAEDC will be loss payee on policy).
- Evidence of your contribution to your project.
- Other information that may be applicable to a particular loan application.