

APPALACHIAN DEVELOPMENT CORPORATION

APPLICANT CHECKLIST FOR SBA 504 DEBENTURE LOAN

ADC Contact Person: J. Connally Bradley (cbradley@adcloans.com)

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Name of Borrower: _____

Phone: _____

Email: _____

THE FOLLOWING (AS APPLICABLE) MUST BE PROVIDED: (ALL EXHIBITS MUST BE SIGNED AND DATED)

- _____ 1. ADC Application, detailed history and description of the business, including Schedule of Debts and any previous government financing.
- _____ 2. SBA Form 1244 – Section XIX for each officer and director (regardless of ownership) and each proprietor, partner and stockholder with 20% or more ownership of the small business concern (SBC); legible copy of driver's license or state issued ID for each principal of the borrowing entity.
- _____ 3. Personal Financial Statement (SBA Form 413 or bank form) current within 90 days as well as a signed copy of the federal personal income tax return for the last two (2) years including W-2s. Credit Reports for the SBC, its owner(s) and any affiliated company will be pulled by the ADC.
- _____ 4. Resumés of the principals involved in day-to-day operations of the business.
- _____ 5. Two (2) years of signed business federal income tax returns. If the SBC is a new business, please provide a proforma balance sheet with assumptions.
- _____ 6. A current Balance Sheet and Profit & Loss of the business dated within 90 days of the SBA application together with an aging of the accounts receivable and accounts payable.
- _____ 7. For a new business or major expansion, a projected, annualized Profit & Loss for the first two years after the loan with assumptions.
- _____ 8. For a new business, a monthly Cash Flow Analysis for the first 12 months of operation or for three months beyond the breakeven point (whichever is longer) with assumptions.
- _____ 9. The names of affiliated (through ownership or management control) or subsidiary businesses, as well as the last two fiscal year-end financial statements and/or federal income tax returns for the last two years.
- _____ 10. If the business is a franchise, include a copy of the Franchise Agreement and the Franchisor's Disclosure Statement provided by Franchisor
- _____ 11. A copy of the key cost documents such as real estate purchase agreements, contractor cost estimates, vendor quotes for machinery and equipment, as well as an itemized list of "professional fees."
- _____ 12. Organizational Documents of the Borrower
- _____ 13. Environmental Questionnaire. This is to be signed by Purchaser and Seller (if applicable). An Environmental Phase I/II Report may be required
- _____ 14. Statements Required by Laws and Executive Orders Part C of the 1244. Please sign where indicated. Also, be answer the questions on page 11 in the section titled *Applicant Notifications*.
- _____ 15. Request for Copy of Tax Transcripts (IRS Form 4506-T) for existing businesses. If purchasing an existing business, the Seller must sign it. Please be sure to sign and date, we will complete the rest of the form.
- _____ 16. Borrower's Certification
- _____ 17. ADC Agreement & Deposit