

BUSINESS LOAN PACKAGE CHECKLIST

Whether you are applying for a traditional bank loan or an SBA loan, similar information is required to complete a loan package. The following list provides a checklist of most requirements for a loan package.

Loan Request:

- Amount and payment terms desired.
- Use of loan proceeds, such as:
 - Land or building acquisition.
 - New construction, expansion or leasehold improvements. Include a breakdown of estimated project costs, preliminary plans & specifications and/or a copy of the signed construction contract, if available.
 - Purchase of machinery or equipment. Include a detailed list of items to be acquired, including cost, make, model numbers, and serial numbers.
 - Finance inventory or accounts receivable.
 - Refinance debt, payoff accounts payable. Include a detailed list of creditors or suppliers to be paid off.
- Collateral Information:
 - For equipment or other fixed assets, include a listing of specific assets including the make, model and serial number and, if to be purchased with proceeds of the loan, copies of the invoice(s).
 - For real property, include a legal description of the property and, if to be purchased with proceeds of the loan, a copy of the signed purchase agreement.

Financial / Business Information:

- Business balance sheet and income statement for last 3 years and interim period within 60 days.
- Business income tax returns, including all schedules and K-1s, for last 3 years.
- Financial Projections. Include assumptions used for the projections.
- Schedule of all business debt (loans, leases).
- Current listing of aged accounts receivable and accounts payable.
- Background / history of business operations, including a description of the type of products sold or services sold. Include a list of key customers and primary competitors.
- Resumes for key management and each owner of 20% or more of the business.
- Copies of organizational documents (such as articles of incorporation and by-laws for corporations, articles of organization and operating agreement for LLCs; partnership agreement for partnerships; and assumed name certificate, if applicable) as well as tax ID certificates.

Financial / Personal Information:

- Personal financial statement (dated within 30 days of the application) for each owner of 20% or more of the business.
- Personal tax returns, including all schedules and K-1s, for the last 3 years for each owner of 20% or more of the business.

Additional Information, as applicable:

- For loans involving the purchase of an existing business, a copy of the purchase agreement.
- For loans involving real estate, copies of any recent environmental assessment reports for the property.
- For loans involving commercial investment property:
 - A schedule of leases (name of tenants, square footage, rental terms, lease expiration and renewal option terms).
 - Copies of all leases.
 - Actual operating expenses on the property for the last 3 years.
- For construction loans:
 - Copies of plans and specifications.
 - Copy of construction contract with the contractor.
 - Information on general contractor.
- For loans involving a franchised business operation, a copy the proposed franchise agreement and the FTC Disclosure Report.