

Business Loan Application

INTRODUCTION

Community Futures Nicola Valley provides business loans up to \$150,000 to assist entrepreneurs to develop, diversify and expand economic activity in our region.

Loans are available to assist new business start-ups; to assist businesses expand or stabilize; or to assist individuals buying a business. As a developmental lender, Community Futures approves financing locally, considering each venture on its own merits, and may provide additional consideration for businesses that diversify and benefit the local or regional economy.

What is Community Futures?

Community Futures Nicola Valley is proud to be a locally run not-for-profit assisting entrepreneurs with self-employment and business development for decades. Community Futures' approach to business development and financing promotes a diligent business planning process, enabling individuals to develop their business vision into a brick and mortar reality.

Prerequisites for Community Futures Nicola Valley Business Loans

- Business and owners reside within the Nicola Valley region
- Business must be suitable for public funding
- Market potential and economic viability of the business
- Owners/principals experience, qualifications and commitment
- Competent management
- Local job creation or preservation
- Credit worthiness of applicants
- Reasonable personal financial investment
- Suitable security for loan amount
- Demonstrated capacity to service debt commitments

Community Futures Nicola Valley Loan Features

- Term loans up to \$150,000.
- Loan repayment timelines up to 6 years
- Competitive business loan interest rates
- Flexible repayment schedules
- Reduced payments at loan / business start up

Community Futures Nicola Valley Assistance

Community Futures Nicola Valley can assist you with various business resources and tools, and our staff can guide and coach you about researching, planning and operating your business.

- Business Start-up information
- Loan Application Package
- Business Planning Workbook
- Business Workshops, Training
- One-on-one Business Guidance, Coaching
- Taking Care of Business

**For inquiries or assistance about Community Futures' Business Financing,
call us at 250-378-3923 or email admin@cfdcnv.com**

LOAN APPLICATION & SUPPORTING INFORMATION CHECKLIST

	Start-up	Purchase	Expansion	Maintenance
BUSINESS LOAN APPLICATION	✓	✓	✓	✓
1. Business Summary				
2. Financing: Loan Request				
3a. Personal Information Summary <i>(for each of the principals of the business)</i>				
3b. Personal Assets & Liabilities Summary <i>(for each of the principals)</i>				
4. Disclosure Agreement & Authorization <i>(to be signed by each principal)</i>				
EXISTING BUSINESSES / BUSINESS PURCHASE		✓	✓	✓
• Year-end Financial Statements for prior 3 years, or Personal Tax Returns if Sole Proprietorship				
• Year-to-date interim financial reports, current within 3 months				
• Taxes: Copy of latest GST, PST, Payroll Deductions remittances				
• Up to date lists of aged Accounts Receivable & Accounts Payable				
• Business Tax Returns for the previous 3 years				
• Business Purchase: List & Cost of Assets being purchased. Independent Appraisal of Assets. Business Valuation / Purchase Agreement / Price if determined				
BUSINESS PLAN (Required)	✓	✓	✓	✓
• Business Plan				
USUAL SUPPORTING DOCUMENTATION (Optional, may be requested/required)	✓	✓	✓	✓
• Price quotes, invoices, re proposed expenditures, equipment purchases, insurances, etc.				
• Business purchase: Independent appraisal of assets; Independent business valuation / opinion				
• Market / demand information to support financial forecasts				
• Letters of intent, purchase offers / contracts / rights to use, etc				
Keep a copy of all your application information, as we retain all materials submitted to us.				

Developmental lending emphasizes a tailored approach - we understand each entrepreneur and each business must be assessed on it's own merits and no one analysis procedure fits every client. This means we'll be working closely with our applicants and may request additional information, documentation, or meetings during the application process.

Successful applicants share one thing in common - they provide complete, well detailed application materials and are prompt with requests for follow-up information or clarification.

The timeline from initial application to disbursement of funds can vary greatly, but this common trait among our success stories has lead consistently to timely, efficient loan processing.

Business Loan Application

1. BUSINESS BASICS SUMMARY

Business Name:

<input type="checkbox"/> New Business Start-Up		Anticipated start date:		
<input type="checkbox"/> Existing Business: Years operating under current owners		<input type="checkbox"/> Purchase	<input type="checkbox"/> Expansion	<input type="checkbox"/> Maintain <input type="checkbox"/> Franchise

Legal Form: Sole Proprietorship Partnership Incorporated Other:

Industry you are operating in:

Employment: # Jobs Created	Full-time:	Part-time:	Seasonal:	Contract:
# Jobs Retained	Full-time:	Part-time:	Seasonal:	Contract:

Operating: Is the business year-round Full-time Part-time Seasonal

Owners, Principals	% Owner	Title/Position

Each of the business Owners/Principals must complete: Personal Summary / Assets & Liabilities, Disclosure, Personal Resume

Business Address & Contact Information

Home Based Store, Office Commercial, Industrial Mobile Internet

Address:		Own <input type="checkbox"/> Lease <input type="checkbox"/> Term
Mail Address:		Postal Code:
Phone:	Cell:	Home:
E-mail:	Web:	Fax:

Business Description *Describe the business and products and services.*

Type: Services Retail Wholesale Producer Tech Tourism, Hospitality Forestry Transportation

Area: Neighborhood City, Local Regional Provincial National Other:

Describe in detail:

Sales: What do you estimate your total yearly sales will be?	Yr \$
Cost of Goods: Have you determined your suppliers and COGS purchases?	Yr \$
Gross Margin: What are typical margins (%) in your industry?	Yr \$
Have you determined sales levels required to pay all monthly operating expenses?	Mo \$
Earnings: What do you anticipate your yearly profit / owner income will be?	Yr \$

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Market & Customers: *Describe the market for your business. Who is the target customer?*

Rationale: *What is the need for this business? Why does it matter? How have you established demand for your venture?*

Competition: *Who else is already solving this problem / products / services? Describe your competitors or substitutes.*

Your Business / Competitive Advantage: *How is your business different and / or better than your competition? Advantages that your customers value. ex. products, services, price, expertise, location, promotion, etc.*

Facilities & Technical: *What is needed and how do you get your product to your customer.*

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Market / Trends: *What are conditions and trends in your market? Ex. growing, flat, declining?*

Key Persons *Who will oversee the business and handle critical tasks? Ex. Bookkeeper, critical staff*

Legal, Licences, Rights to Use

Is the business registered? Yes No

Business Registration #:

If a Corporation, where incorporated :

Incorporation #:

Have you registered for GST? Yes No

GST #:

Have you registered for PST? Yes No

PST #:

Do products or processes meet all legal requirements / safety / liability standards for sale in Canada?

Are licenses, agreements, fees needed? (Ex. franchise, trade name, patent, facilities/venue fees?)

What government licenses, permits and approvals are required?

What industry standards, certification or approvals are required?

Owned Affiliate or Subsidiary Businesses	Name	Industry	Location

Business Connections	Company	Contact	Phone
Banking			
Legal			
Accountant			
Mentors, Other			

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2. LOAN REQUEST	\$	Term / Months
Loan Purpose: <input type="radio"/> New Start-up Existing Business: <input type="radio"/> Expansion <input type="radio"/> Purchase, transition <input type="radio"/> Stimulation		

List costs / expenditures for your project, and all sources of funds including your personal investment and other lenders.

USES OF FUNDS		SOURCES OF FUNDS	
Purchase Business / Franchise	\$	Capital: Owners, Principals (A)	\$
Land, Building	\$	Shareholders, Investors (A)	\$
Plant, Equipment	\$	Loans: Community Futures	\$
Vehicles, rolling stock	\$	Bank, Credit Union	\$
Furnishings, Fixtures	\$	BDC	\$
Leaseholds, Renovations	\$	Other:	\$
Inventory, Materials	\$	Other: Sale of Assets	\$
Working Capital	\$	Gov't Programs (SR&ED, etc)	\$
Refinance debt, payables	\$	Working Capital, Earnings	\$
Other (specify):	\$	Other (specify):	\$
Total Project Expenditures	\$	= Total Funds Sources	\$

Non-Cash Assets Contributed by Owner, Principals	Current Value	- Amount Owed	= Equity (B)
Land, Building, Plant	\$	\$	\$
Equipment, Tools	\$	\$	\$
Vehicles	\$	\$	\$
Other:	\$	\$	\$
Total Assets Contributed by Owners, Principals	\$	\$	\$

Total Owner Equity Contributed: Capital + Assets **(A + B)** \$

Loan Security Available	Current Value	- Amount Owed	= Equity
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$

Have you applied for financing elsewhere? Yes No Results?

Are you a prior client of Community Futures; or How referred?

Are you related to any Director or Employee of Community Futures Nicola Valley? Yes No

Enclosures with Application: Sales & Cash Flow Forecasts Business Plan **Other:**

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3a. PERSONAL SUMMARY (required for each owner / principal, spouse, guarantor)

Last Name:		First:		Middle:	
Birth Date: Y/M/D:		Birth Place:		Cdn Citizen?	
Other name(s) used:		SIN #:		DL. #:	
Home ☎		Work ☎		Cell ☎	
Email:		Other:			
Address:				Postal:	
Own Free & Clear <input type="checkbox"/> Buying <input type="checkbox"/> Rent <input type="checkbox"/> Other:				Time:	
Employment History: (4 yrs) Name, Address		Occupation, Income	Dates	Reason Ended	
1)					
2)					
3)					
4)					

Spousal or Partner Information (required)

Last Name:		First:		Middle:	
Birth Date: Y/M/D:		Birth Place:		Cdn Citizen?	
Other name(s) used:		SIN #:		DrLic. #:	
Employment History (4 yrs)		Occupation, Income	Dates	Reason Ended	
1)					
2)					
3)					

Personal & Business References

Emergency Contact:	
Name:	Relationship:
Address:	☎
Name:	Relationship:
Address:	☎
Name:	Relationship:
Firm / Address:	☎
Name:	Relationship:
Firm / Address:	☎:

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3b. PERSONAL ASSETS & LIABILITIES SUMMARY.

Include all personal assets and liabilities for yourself and for spouse / partner if married or common-law

Real Estate Owned	Address, Description	Current Value	Mortgage(s)	Monthly Pymt
Residence		\$	\$	\$
		\$	\$	\$
		\$	\$	\$

Assets (description)	Present Value	Liabilities, Finance	Owed	Monthly Pymt
Cash: (chequing / savings)	\$	Term Loan(s)	\$	\$
Stocks, Bonds, Mutual Funds	\$	Line(s) of Credit	\$	\$
RRSP"s, Pension	\$	Bank Credit Cards	\$	\$
Real Estate (current value from above)	\$	Mortgages (above)	\$	\$
Vehicle 1:	\$	Loan, Lease	\$	\$
Vehicle 2:	\$	Loan, Lease	\$	\$
Other:	\$	Retailer Credit Cards	\$	\$
Other:	\$	Guarantor / Guarantee	\$	\$
Other:	\$	Other:	\$	\$
Business Equity, Retained Earnings	\$	Taxes Payable	\$	\$
TOTAL A	\$	TOTAL B	\$	\$
NET WORTH		(Total A – B)		\$

Other Liabilities: <i>ex. taxes, family support, alimony, co-signed debts, guarantees, leases</i>	Balance owing	Monthly Pymt
	\$	\$
	\$	\$
	\$	\$

Monthly Family Income (including spouse)		Monthly Family Expenditures (including spouse)	
Income Drawn from the Business	\$	Rent / Mortgage Payments	\$
Employment Income	\$	Finance Payments (from above)	\$
Spouse"s Employment Income	\$	Food and Clothing	\$
Rental Income	\$	Utilities, Phone, Internet, Cable	\$
Pensions/Annuities	\$	Transportation	\$
Investments Income	\$	Medical & Insurances	\$
Other (<i>support income, etc.</i>):	\$	Other (<i>education, child care, etc.</i>):	\$
Total Income	\$	Total Expenditures	\$

Credit History (provide details)	
Have you had assets repossessed or foreclosed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Have you made a debt proposal through a credit counselor, trustee, or government; or applied for bankruptcy?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are you or any closely related individual or firm involved in ANY legal action or litigation, personal or business?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Status	
Do you have a current Business Plan or Expansion / Project plan as appropriate?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Do you have a Monthly Sales Forecast & Cash Flow Forecast for at least 1 year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Existing Business / Purchase: Do you have the prior 3 Year-end Financial Statements, and year to date results?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe any health issues that may affect your time or ability to operate a business:	

4. DISCLOSURE AGREEMENT & AUTHORIZATION

The information and statements herein are for the purpose of obtaining and/or maintaining financing from Community Futures Development Corporation Nicola Valley ("CFNV"), and are true, full, and correct as of the date below.
 I/we understand that additional information if required by CFNV in support of this application, must be supplied to CFNV before full consideration may be given to this financing application.

Consent to Obtain / Release Information: I/we hereby consent to CFNV making any inquiries including credit agency reports, and exchanging financial or other information with other financial institutions, or financial partners agencies or credit grantors; and personal, business and corporate information from/to such persons, firms, corporations, government authorities, institutions or agencies as it deems necessary in order to reach a decision on any business proposal and financing application under consideration, or any future applications for financing, and to administer an eventual loan, if such is the case.

I/we agree providing our social insurance number ("SIN") to CFNV as confirmation of identity and authorize CFNV to use and reveal the SIN to others as a means of identity and obtaining credit reports. These consents shall remain in force until all amounts owing to CFNV are repaid.

Costs Incurred: The Applicant agrees to reimburse CFNV for any costs incurred in processing and/or registration of documents for loan security. Should the applicant withdraw from a loan request, or the proposed financing not complete for any reason, the applicant shall be responsible for paying all costs incurred, including credit and registry searches and appraisals conducted to assess the application. Whether or not financing is approved, all application documents, agency reports and other information obtained by CFNV in connection with this application are the property of CFNV.

Acknowledgement & Release: I/we acknowledge that CFNV has advised me/us to conduct my/our own investigations into all matters pertaining to my/our business proposal; and that any information and advice provided to me by CFNV, its employees, volunteers, directors, and representatives is given without warranty or representation; and I/we release CFNV, its employees, volunteers, directors, and representatives from any and all liability or responsibility should I/we choose to rely on information provided to me/us by or on behalf of CFNV; and I/we waive any and all claims against CFNV for any loss, damage, expense or cost that I may suffer or incur in my proposed business venture, due to any cause whatsoever.

I/we warrant that we have read and understand this agreement, and I/we sign on behalf of my/ourselves and any proprietorship, firm, partnership, or corporation I/we represent.

_____, 20__ * _____ * _____ * _____
 Date Applicant signature Spouse signature Guarantor signature

GUIDE: BUSINESS PLAN SUMMARY

A business plan is a required part of your lending application. If you have not yet completed a business plan, this guide may be helpful for you. The following basic business information will enable funders and stakeholders to better understand and assess your business venture. This information becomes the basis of your businessplan. Answer as best you can, with the information you have gathered and available to you.

Community Futures staff can help guide you in planning your business. We can provide a Business Plan Template (or you may use alternate formats); and, we have various information resources and tools that may assist your plans. Your business plan should cover the following:

Business Description

- Is this business a startup; expansion of an existing business, or buy-out of an existing business?
- What is the history of the business (if applicable)?
- What are your products and/or services?

Business Location

- What is your business location and why did you choose that location?
- Will the building be leased or owned? (if applicable)
- What are the terms and length of the lease contract? (if applicable)

Licenses and Permits

- Is your business name registered with BC Name Request?
- How will your business be affected by local zoning regulations?
- What licenses or permits will you be required to obtain?
- Do you require to be registered for GST/PST?
- Do you require a Canada Revenue Agency (CRA) Taxation Number?

Insurance

- What are your insurable business risks?
- What insurance coverage will you purchase to protect your business from fire, theft, vehicle and liability claims?
- Do you require Worker's Compensation Board coverage?

Market

- Describe the market for your business: How large is the market? What is your expected market share? Is the market growing or contracting? What research have you done to demonstrate the market?
- Who is your target customer? Describe their characteristics: (ie: age, sex, families, occupation, lifestyle, income, location, etc.

Competition

- Describe your competitors. What are their strengths and weaknesses in regard to products/services; pricing; distribution/location; and promotional strategies?
- How will your competitors react to your business?

Competitive Advantage

- Describe the "Key Value Factors" in your industry that customers decide who they will buy from. How do you rate?
- Describe your competitive advantage. How will you position your business to be different from and/or better than your competition? Consider competitive advantages in products/services; pricing; distribution/location; and promotional strategies.
- How will your business attract your target market?

Business Risks

- What are your most significant business risks and what will you do to mitigate them?
- How will your business be affected by changes to the regional industries and the economy?

Other Supporting Information

- Letters of reference
- Letters of intent/contracts/purchase offers
- Price quotations on potential purchases of equipment, insurance, etc.
- Copies of all lease, contracts, or agreements, deeds, or other legal documents
- Any other information that might help clarify or strengthen your proposal and answer potential questions, concerns