



# PeopleFund

Creating Opportunity

## PeopleFund SBA 504 Loan Application

Please email this package and any supporting documentation to [mmora@peoplefund.org](mailto:mmora@peoplefund.org).

Name of Applicant: \_\_\_\_\_

Project Description: \_\_\_\_\_

Business Phone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ Mobile Phone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Email Address: \_\_\_\_\_

# SBA 504 Loan Application

Equal Opportunity Lender



## Business Profile

Is the following business the:  Borrower,  Operating Company

Legal Business Name: \_\_\_\_\_

Address/City/State/Zip Code: \_\_\_\_\_

Nature of Business \_\_\_\_\_

Taxpayer ID: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Mobile Number: \_\_\_\_\_

Business Structure:

- Sole Proprietor
- Partnership
- Corporation
- Sub-S Corp.
- Other (explain) \_\_\_\_\_

Time as Current Owner: \_\_\_\_\_ Prior 12 mo sales \$ \_\_\_\_\_ Net Income \$ \_\_\_\_\_ Number of New FTEs to be created in 2 years \_\_\_\_\_ Number of Existing FTEs \_\_\_\_\_

## Project Information

**\*NOTE: This type loan requires that you occupy at least 51% of an existing building and/or 60% of a new facility.**

Street Address of Project: \_\_\_\_\_ City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_ Zip: \_\_\_\_\_

Present address if different: \_\_\_\_\_ City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_ Zip: \_\_\_\_\_

## Use of Proceeds

Land Acquisition \_\_\_\_\_ \$ \_\_\_\_\_

New Construction/Expansion/Repair \_\_\_\_\_ \$ \_\_\_\_\_

Acquisition of Existing Facility \_\_\_\_\_ \$ \_\_\_\_\_

Acquisition and/or Repair of Machinery \_\_\_\_\_ \$ \_\_\_\_\_

Professional Fees \_\_\_\_\_ \$ \_\_\_\_\_

All Other (Contingencies and Interim Interest) \_\_\_\_\_ \$ \_\_\_\_\_

Refinance under eligible SBA current program \_\_\_\_\_ \$ \_\_\_\_\_

Total Project Amount \$ \_\_\_\_\_

## Information Concerning Owner(s) and/or Guarantor(s)

(Please List ALL Principals, Owners, and Guarantors who will be obligated on this credit. Attach additional sheets as needed)

Will this individual be a:

Borrower,  Co-Borrower, or  Guarantor on this credit application?

Name \_\_\_\_\_

Title \_\_\_\_\_ %Ownership \_\_\_\_\_

Home Address \_\_\_\_\_

Place of Birth \_\_\_\_\_ SS# \_\_\_\_\_

Date of Birth \_\_\_/\_\_\_/\_\_\_ Mobile Number (\_\_\_\_)\_\_\_\_-\_\_\_\_\_

Email \_\_\_\_\_

Will this individual be a:

Borrower,  Co-Borrower, or  Guarantor on this credit application?

Name \_\_\_\_\_

Title \_\_\_\_\_ %Ownership \_\_\_\_\_

Home Address \_\_\_\_\_

Place of Birth \_\_\_\_\_ SS# \_\_\_\_\_

Date of Birth \_\_\_/\_\_\_/\_\_\_ Mobile Number (\_\_\_\_)\_\_\_\_-\_\_\_\_\_

Email \_\_\_\_\_

## Additional Borrower Information

Are any taxes owed for years prior to current year? If yes, by whom  Yes  No  
If yes, by Whom?  Borrower  Co-Borrower  Guarantor (Please Attach Explanation)

Do any of the parties involved in this credit request act as an endorser, guarantor, maker or co-maker for any other obligations?  Yes  No  
If Yes, Who?  Borrower  Co-Borrower  Guarantor (Please Attach Explanation)

Have any of the parties involved in the credit request ever been involved in any bankruptcy proceedings?  Yes  No  
If Yes, Who?  Borrower  Co-Borrower  Guarantor (Please Attach Explanation)

Are there any pending law suits or outstanding judgments against any of the parties involved in this credit request?  Yes  No  
If Yes, Who?  Borrower  Co-Borrower  Guarantor (Please Attach Explanation)

Are any of the parties involved in this credit request now or previously employed by the Federal Government?  Yes  No  
If Yes, Who?  Borrower  Co-Borrower  Guarantor (Please Attach Explanation)

Have any of the parties been arrested or convicted on any criminal offense other than a minor vehicle violation, or presently under indictment, parole or probation?  Yes  No  
If Yes, Who?  Borrower  Co-Borrower  Guarantor (Please Attach Explanation)

## Information and Credit Release

I/We hereby authorize the release to PeopleFund or related parties, any information they may require at any time, for any purpose related to my/our credit transactions with PeopleFund. I/We further authorize PeopleFund to release said information to any entity they deem necessary for any purpose related to my/our credit transaction with them. I/We hereby certify that the enclosed information, including any attachments or exhibits provided by me/us herein or at a later date is valid and correct.

_____	_____	_____
Individual	Date	Name of Corporation, Partnership, etc.
_____	_____	_____
Individual	Date	By

## How did you find out about PeopleFund?

Bank  SBA  Internet  Other (please specify) \_\_\_\_\_

## Media Release

Date: \_\_\_/\_\_\_/\_\_\_

Company Name: \_\_\_\_\_

Authorizes the use of Company name and logo to be used by the PeopleFund for digital marketing, social media promotion, blog posts, and additional print ads or media releases. All promotion is for the sole purpose of announcements made by PeopleFund to promote our loan program fostering economic growth in the State of Texas. The undersigned will incur no cost for these promotions.

By signing below, the undersigned officer and/or agent of Company represents, warrants and certifies that he/she is an authorized representative with full authority to sign for Company and has the necessary authority to execute a Release on behalf of Company.

\_\_\_\_\_  
Name (printed)

\_\_\_\_\_  
Signature

# SBA 504 Loan Disclosures

The following disclosures are given for the permanent financing provided by the PeopleFund (The "CDC" under the SBA 504 Loan Program. The private sector lender should be consulted for the terms and conditions of their portion of the permanent financing. Effective October 1996, the lender will pay a .5% fee to SBA based on the amount of their first mortgage.

**Loan Fees.** The following loan fees (2.65%) will be paid by the Borrower for the CDC portion of the 504 loan, all of which can be financed by the CDC loan. The CDC Attorney fee will be paid at closing of the 504 loan and refunded when the loan is funded (up to \$2,500).

- CDC Processing Fee - 1.5% of the net debenture proceeds (1.00% payable at time of receipt of the SBA Authorization less deposit, and balance of 0.50% at time of funding of the SBA Debenture). The Fee is considered earned by the the CDC (PeopleFund) and the SBA at time the Authorization is presented and signed by the Applicant.
- Funding Fee - 0.25% of the net debenture proceeds
- SBA Guaranty Fee - 0.5% of the net debenture proceeds
- CDC Attorney's Fees - not to exceed \$3,500.
- Underwriting fee - 0.4% of the subtotal of the other fees and deposits.

**Servicing Fees.** The following servicing fees will be paid by the Borrower on the unpaid balance of the CDC loan, such unpaid balance, to be determined at 5-year intervals at the beginning of such interval. The monthly CDC/SBA note payment amount reported to the Borrower will include these fees as part of the monthly payment.

- CDC Servicing - 1.00% per annum; CSA Servicing - 0.125% per annum; Borrower Guaranty fee 0.018% per annum or loans approved after October 2006.

**Closing Costs.** As in all forms of financing, there will be interim and permanent loan closing costs associated with the SBA 504 loan. These include title premiums, escrow fees, recording costs, survey costs, attorney's fees (borrowers and lenders), tax certificates, copies and miscellaneous closing costs. The CDC's attorney's fees are payable at closing and reimbursed to the borrower once the 504 loan is funded (up to \$2,500).

**Late Charge.** A charge of \$100 or 5.0% of the late amount, whichever is greater, will be charged the Borrower in the event a payment is received after the 15th day of the month in which the payment is due.

**Automatic Debit.** The SBA requires a payment program whereby the Borrower's CDC loan payments are automatically debited each month from the Borrower's bank account.

**CDC Authority.** While the CDC is responsible for the preparation of the loan application sent to the SBA, all loan conditions are set by the SBA and any changes to the loan conditions require SBA approval submitted through the CDC.

**Miscellaneous Loan Terms.** The closing documents for the CDC loan are likely to contain the following provisions. Prior SBA approval required for:

- The reorganization, merger, consolidation or change of ownership of the business of the Borrower; The sale or further encumbrance of the collateral;
- The requirement for life insurance, hazard insurance and (if needed) flood insurance; The requirement for annual financial statements to be submitted by the Borrower.

**Prepayment.** The CDC loan is pre-payable on the following terms and conditions.

Ability to Prepay the CDC loan - The CDC loan is totally pre-payable on a payment date upon 45 days written notice to the CDC. However, the CDC may not be partially prepaid at any time. Prepayment Amount - The amount required to prepay the CDC loan is equal to the aggregate of the outstanding principal balance, interest to the prepayment date (including accrued servicing fees), expenses (including those related to the care and preservation of collateral), late charges and any prepayment premium. Prepayment Premium - A prepayment premium will be paid calculated with the following formula:

$PP = PB (I \times F)$  where "PP" means Prepayment Premium, "PB" means the remaining Principal Balance, "I" means the Interest stated on the face of the debenture expressed in decimal points; and "F" means the Factor set forth below:

Year	20/25 Year Loan: F	10 Year Loan: F
1	1.0	1.0
2	0.9	0.8
3	0.8	0.6
4	0.7	0.4
5	0.6	0.2
6	0.5	0.0
7	0.4	0.0
8	0.3	0.0
9	0.2	0.0
10	0.1	0.0
11 and thereafter	0.0	0.0

**Assumption Fee.** A fee of 1% of the outstanding principal balance of the loan may be charged by the CDC if the loan is assumed by another borrowing entity.

**Deposit.** A deposit of 1.00% of the SBA 504 net loan amount is required or \$2,500 which ever is less.

**PeopleFund CDC origination fee:** The certified development company is allowed to charge the participating lender a 1% origination fee for securing their senior lending position as allowable by the SBA rules and regulations.

**I have read the above SBA 504 Loan Disclosures given to me by the CDC, consisting of this page and one prior page, and I understand them.**

Borrower Name \_\_\_\_\_ Date \_\_\_/\_\_\_/\_\_\_      Name \_\_\_\_\_ Date \_\_\_/\_\_\_/\_\_\_