



# Small Business Loan Application

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Check the loan program for which you are applying.

**North Hempstead Loan Program\***

Location Requirement: Unincorporated areas of North Hempstead

Minimum Loan: \$10,000

Maximum Loan: \$100,000

Interest Rate: 3.25%

Owner Equity Required: 10%

Requirements: Must result in creation or retention of jobs (51% of which must be held by or available to low and moderate income persons).

Application Fee: 1% of loan amount.

**Prospect Avenue Loan Program**

Location Requirement: Prospect Ave. between Brush Hollow Road and Union Ave.

Minimum Loan: \$10,000.

Maximum. Loan: Based on availability of funds and borrowers credit and collateral.

Interest Rate: 3.25%

Owner Equity Required: 10%

Requirements: Business must provide basic goods and services for the neighborhood or must result in creation or retention of jobs (51% of which must be held by or available to low and moderate income persons).

**\*\*AMOUNTS & PERCENTAGES ARE SUBJECT TO CHANGE \*\***

**I. APPLICANT**

Name of Applicant:

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**II. DESCRIPTION OF PROJECT AND BREAKDOWN OF COSTS**

Description of Project/Activity:

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Breakdown of Total Project Costs	Source of Funds				
	TNH CDA Small Business Loan	Bank Financing	Owner Equity	Other	Total Cost
Land or Property Acquisition					
Land improvement					
New construction					
Purchase building					
Remodel building					
Purchase machinery & equipment					
Purchase furniture/fixtures					
Working capital					
Other					
<b>Total</b>					

**III. PROPOSED FINANCING STRUCTURE**

Bank \_\_\_\_\_ \$ \_\_\_\_\_ Rate \_\_\_\_\_ % Yrs. \_\_\_\_\_

Other \_\_\_\_\_ \$ \_\_\_\_\_ Rate \_\_\_\_\_ % Yrs. \_\_\_\_\_

Town of North Hempstead CDA \$ \_\_\_\_\_ Rate \_\_\_\_\_ % Yrs. \_\_\_\_\_

**IV. IMPACT OF PROJECT ON JOBS**

No. of total current employees: \_\_\_\_\_

No. of jobs that will be created as a result of this project: \_\_\_\_\_

No. of jobs that will be retained as a result of this project: \_\_\_\_\_

**V. IMPACT OF PROJECT ON LOW AND MODERATE INCOME RESIDENTS**

Does this business provide basic goods and services (*grocery store, dry cleaners, drugstore, etc.*) to a market area which contains at least 51% low and moderate income residents?

No:  Yes:  Describe: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Will at least 51% of the jobs created or retained be "available to" or "held by" low and moderate income individuals? (Generally, a job is considered available to low and moderate income persons if it does not require more than 12 months of specialized training or education beyond high school).

No. of jobs created that will be available to low and moderate income persons: \_\_\_\_\_

No. of jobs retained that will be available to low and moderate income persons: \_\_\_\_\_

# Agreements and Certification

Certification: I/we certify: (a) I/We have not paid anyone connected with the Town of North Hempstead Community Development Agency from here on known as "Lender" for assistance in obtaining the requested loan. (b) All information in this application and the exhibits is true and complete to the best of my/our knowledge and is submitted to Lender so Lender can decide whether to approve this application. I/We agree to pay for or reimburse Lender for the cost of any surveys, title or mortgage examination, appraisals, etc., performed by non-city personnel provided I/We have given my/our consent. (c) I/We give the assurance that we will comply with section 112 and 113 of Volume 13 of the Code of Federal Regulations, prohibiting discrimination on the grounds of race, color, sex, religion, marital status, handicap, age or national origin by recipients of federal financing assistance and require appropriate reports and access books and records. These requirements are applicable to anyone who buys or takes control of the business. I/We realize that if I/We do not comply with these non-discrimination requirements, Lender can call, terminate, or accelerate repayment on my/our loan.

I/We understand that I/We must comply with all applicable local, state, and federal statutes, regulations and requirements.

Privacy Act of 1974 information: Certain information such as personal balance sheets are used to evaluate your application. Such information may be given to federal, state or local agencies for law enforcement purposes. Omission of an item means your application might not receive full consideration.

Whoever makes any statement knowing it to be false, Or whoever willfully overvalues any security for the purpose of obtaining any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefore, or for the purpose of influencing in any way the action of the Lender, or for the purpose of obtaining money, property, or anything of value will face legal action under appropriate local, state, and federal statutes..

Whoever in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals, or covers up a material fact by a trick, scheme or device, or makes any false, fictitious or fraudulent statements or representations or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry may be fined up to \$10,000 or imprisoned for up to 5 years, or both, pursuant to federal law at 18 U.S. Code Sec. 1001.

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Company Name

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**By:**

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**Title**

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**Date**

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**By:**

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**Title**

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**Date**

# Resolution of the Board of Directors

\_\_\_\_\_  
(Name of Company)

I. RESOLVED, that the officers of this corporation named below in Section II here of, or any one of them be, are hereby authorized and empowered in the name of and on behalf of this corporation and under, its seal, are hereby authorized and empowered to do any acts, including, but not limited to the mortgage, pledge or hypothecation of any or all assets or the corporation to secure payment of a loan from Town of North Hempstead Community Development Agency in the amount of \$ \_\_\_\_\_.

II. FURTHER RESOLVED, that the officers referred to in the foregoing resolutions are as follows:

_____ Type Name	_____ Title	_____ Signature
_____ Type Name	_____ Title	_____ Signature
_____ Type Name	_____ Title	_____ Signature

III. FURTHER RESOLVED, that the city/town is authorized to rely upon the aforesaid resolution until receipt of written notice of any change.

\_\_\_\_\_  
(Type Name) Will supply the city/town with financial statements.

## Certification

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution regularly presented to and adopted by the Board of Directors of \_\_\_\_\_ at a meeting duly called and held at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, at which a quorum was present and voted, and that such resolution is duly recorded in the minutes book of this corporation; that the officers named in said resolution have been duly elected or appointed to, and are the present incumbents of the respective offices set after their respective names; and that the signatures set opposite their respective names are their true and genuine signatures.

\_\_\_\_\_  
By:

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## **Lender Submission Checklist**

Please submit only those items checked and label them according to Exhibit Number:

- 1. A history and description of the business, including products, market area, competition and how the company markets and distributes its products, etc. (Business plan if a new business). (Exhibit 1)
- 2. A statement detailing the exact uses of the loan. Include back up documentation for project costs. (Exhibit 2)
- 3. A statement of the anticipated low and moderate income job creation or retention benefits from the proposed financing. Use Form 1 for job creation projects and Form 2 o for job retention projects. (Exhibit 3)
- 4. Personal financial statement to be completed by all officers and/or directors and owners holding 20% or more of the outstanding capital stock of the business. Include description of officer compensation. (Exhibit 4).
- 5. A balance sheet and profit and loss statement for the previous three years. Tax returns may be substituted when accountant-prepared statements are not available. (Exhibit 5)
- 6. A current balance sheet and current operating statement (not over 90 days old). (Exhibit 6)
- 7. A projected balance sheet and operating statement for 2 years. (Exhibit 7)
- 8. A monthly cash flow for the first 12 months of operation or 3 months beyond the break-even point. (Exhibit 8)
- 9. The names of affiliates and/or subsidiary firms. (Exhibit 9)

- 10. Resumes of the principals. (Exhibit 10)
- 11. Schedule of outstanding obligations. (Exhibit 11)
- 12. If your business is a franchise, include a copy of the franchise agreement. (Exhibit 12)
- 13. Resolution of the board of directors of applicant business. (Exhibit 13)
- 14. A copy of existing or proposed lease or purchase agreement or other financing arrangements. (Exhibit 14)
- 15. Preliminary plans, specifications and estimates of cost covering new construction and/or machines, and equipment. Include backup documentation. (Exhibit 15)
- 16. Bank letter stating the terms and conditions of its loan application (Exhibit 16)
- 17. Listing of collateral to be offered as security for the loan. Verification of the value of the assets including appraisal report for real property to be purchased w/loan proceeds or offered as collateral. (Exhibit 17)
- 18. A copy of Mortgage Deed of property owned. (Exhibit 18)
- 19. Listing of major suppliers and what they provide. (Exhibit 19)
- 20. Aging of accounts payable and receivable, dated within 90 days of the date of this application. (Exhibit 20)
- 21. Details of any involvement by your company or any of its officers in bankruptcy proceedings or law suits. (Exhibit 21)
- 22. An explanation of any transfer of employment by our company from another community in this state which will occur in conjunction of this project. (Exhibit 22)

# Job Creation Information

1. Total full time equivalent positions as of: \_\_\_\_\_  
Date
  
2. Total new full time equivalent positions being created from the Project that will be filled for one year or longer: \_\_\_\_\_
  
3. List job descriptions, title, etc. in below table:

No. of FTE Positions to be Created	Job Title	Skills (describe)	Education* (Example's; HS education, specialized training, 4-yr degree, degree, other).	Experience (No. of years)	Wage/Salary

## Low and Moderate Income Benefit Agreement

The applicant agrees to put forth the maximum feasible effort to hire low and moderate income individuals for positions created:

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Authorized Representative of Company & Title (print, sign and date)



## Titles for Job Creation

For each job created, the following general titles are to be used. If additional titles are to be used for clarification, place in parentheses under these general titles.

1. Officials and Manager- Occupations requiring administrative personnel who set broad policies, exercise overall responsibility for execution of these policies, and direct individual departments or special phases of a firm's operation.
2. Professionals - Occupations requiring either college graduation or experience of such an amount as to provide a comparable background.
3. Technicians - Occupations requiring a combination of basic scientific knowledge and manual skills which can be obtained through about two years of post-high school education, such as is offered in many technical institutes and junior colleges, or through equivalent on-the-job training.
4. Sales - Occupations engaging wholly or Primarily in direct selling.
5. Office and Clerical - Includes all clerical-type work regardless of level of difficulty, where the activities are predominantly non-manual.
6. Crafts Workers (skilled) - Manual workers of relatively high skill level having thorough and comprehensive knowledge of the processes involved in their work: exercise independent judgment and usually receive training.
7. Crafts Workers (semi-skilled) - Workers who operated machines or processing equipment or perform other factory type duties of intermediate skill level which can be mastered in a few weeks and require limited training.
9. Laborers - Workers in manual occupations which generally require no special training.

# Employee Certification (For Job Retention)

Dear Employee:

Please provide the below information on this form so that we can verify to the Community Development Agency that your employment here is achieving the goals of the Community Development Block Grant Program. This information is voluntary. The information will be placed in your confidential personnel file and is available to a limited number of company officials. This information is also subject to verification.

Thank you for your anticipated cooperation with this matter. Please see \_\_\_\_\_ if you have any questions or require any assistance.

Sincerely,

\_\_\_\_\_ (Date)

**Step 1:** Indicate your family size and town. Count yourself and all family members living at home.

- A. Family Size: \_\_\_\_\_
- B. Town in which you live: \_\_\_\_\_

**Step 2:** What was your family income for the past 12 months? \$ \_\_\_\_\_

**Step 3:** A. Please indicate your racial group:

- |  |   |
|--|---|
| <input type="checkbox"/> White           | <input type="checkbox"/> Hispanic                 |
| <input type="checkbox"/> Black           | <input type="checkbox"/> Asian or Pacific Islands |
| <input type="checkbox"/> Native American | <input type="checkbox"/> Other (specify) _____    |

B. Sex?  Male  Female

C. Do you have a disability which is substantial?  No  Yes  
Explain \_\_\_\_\_

D. Are you a female head of household?  No  Yes

**Step 4:**

Name: \_\_\_\_\_ Social Security: \_\_\_\_\_  
Signature: \_\_\_\_\_ Date of Hire: \_\_\_\_\_ *Below*

*Below area is for Town of North Hempstead Community Development Agency use.*

Above LMI limit for area of residence  At or Below LMI limit for area of residence.

## Job Retention Information

The applicant agrees that \_\_\_\_\_ number of jobs would be lost if the financing is not obtained and that 51% of those jobs are held by low and moderate income persons.

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Print, Sign and Date the Authorized Representative of Company & Title

The applicant must provide clear and objective evidence, that, without the financing assistance, the jobs would be lost. Attach supporting statements and/ or documentation.

The employer must also provide low and moderate income certification forms documenting that at least 51% of the retained jobs are currently held by low and moderate income persons.