



BUSINESS MICROLOAN APPLICATION

ECDC Enterprise Development Group

901 S. Highland St., Arlington, VA 22204 Tel: (703) 685-0510 Fax: (703) 685-4200

Thank you for contacting ECDC Enterprise Development Group (EDG) for a business loan. The basic steps in applying for a loan are:

Send your completed Microloan Application to EDG and set up a meeting with a Loan Officer/Technical Advisor. Our interest rate is tied to the rates that we have to pay to our capital sources.

Bring each of the items in Part I on the back page of the Micro loan Application to your meeting. We will discuss your application materials with you, answer questions that you have, and tell you what information is still needed. Once your application is ready, you will need to pay \$100 for processing (Non-Refundable).

When your Loan Officer has received all of your information, (s\he) will prepare and present a report to the Loan Review Committee. In making its decision, the Committee will study your:

1. Credit History. A person with a score of 620 or more does not need a co-signer. Do you pay your debts on time? Do you have judgments or bankruptcies?
2. Business Plan. What is your business idea? What items or services will you sell? What experience do you have in this or related types of business? Have you ever managed a business? How will you compete and market your business? What will be your monthly expenses and sales revenues for one year?
3. Collateral. We expect you to provide collateral equal to 100% of the loan. Examples include liens on an unfinanced vehicle, business assets, home equity, equipment, machinery, jewelry, and even cash. If you are unable to provide collateral, you will need a co-signer who has a credit score of over 620, collateral and/or moderate income (based on HUD's Evaluation) w/employment history of more than 2 years and who would be able to pay your loan balance if necessary. Please understand that we will work closely with you to build a strong business plan so that your business will be successful.
4. Cash Contribution to the Business. We normally loan up to 70% of the funds needed for your project, for loans over \$10,000 and 80% of the loan for the loans under \$10,000. You are expected to invest 30% and 20% respectively from your own savings.

After your loan is approved, you will be assessed fees to pay for closing the loan and securing the collateral. Because each application is based on individual circumstances, it is impossible to provide an exhaustive explanation of the process for your loan. Should you have any questions, please contact us at: (703) 685-0510 or fax (703) 685-4200.

We look forward to working with you. ECDC Enterprise Development Group Staff

Our Mission is to promote opportunities for self-sufficiency through sustainable economic and community development initiatives.

GENERAL INFORMATION

Name: _____ Social Security No. _____
(Last) (First) (Initial)

Address: _____ Time at address: _____

Tel. Numbers: Home _____ Cellular _____ Office _____

Spouse's Name: _____ Address (if different than Current Address): _____

Nearest Relative (not living with you): _____ Relationship: _____

Address: _____

Telephone: _____

EDUCATION

Highest Educational Degree (circle one): Middle School High School Associate BA/BS Master/ Ph.D

(Enter the year received): _____

Type of Degrees Earned: _____

WORK EXPERIENCE

(or provide a resume with your application)

Current Employer: _____

Address: _____

Salary: _____ Job Title: _____

How Long There: _____ Duties: _____

Supervisor's Name & Telephone: _____

Previous Employer: _____

Address: _____

Salary: _____ Job Title: _____

How Long There: _____

Duties: _____

Reason for Leaving: _____

Supervisor's Name & Telephone: _____

LOAN REQUEST INFORMATION

Loan Amount Requested: \$_____. Term Requested (circle one): 1 yr./ 2 yrs / 3 yrs.

Purpose _____

How much money will you provide from your own funds? \$_____

If your loan request is \$20,000+, have you tried to get a bank loan and been turned down? Yes___ No ___

PERMISSION TO OBTAIN YOUR CONSUMER CREDIT REPORT

I hereby give the ECDC Enterprise Development Group the right to obtain my consumer credit report for this application and for the life of the loan, should my application be approved. I also release from all liability all persons, companies, and corporations supplying such information. I indemnify the ECDC Enterprise Development Group and the Ethiopian Community Development Council against any liability, which might result from making such an investigation.

Name _____ SSN: _____
(Last) (First) (Initial)

_____/_____/_____
(Date of Birth) (Signature) (Date)

INFORMATION ABOUT BUSINESS

(A business plan including expected monthly revenues & expenses for 1 year will be requested later.)

Business name and address: _____ County: _____

Is this a new business? Yes__ No __ Date started __/__/____. Or, an existing business? Yes __ No __ Date started __/__/____ Organization type: Sole Proprietorship _____ Partnership _____ LLC _____ S Corp. _____ C Corp _____

Your products/services: _____

REFERENCES

Name _____

Relationship to You _____

Address _____

Telephone _____

Closing Costs

Loan Amount	Closing Costs
\$ 500 -\$ 2,000	\$ 25
\$ 2,001 -\$ 3,000	\$ 50
\$ 3,001 -\$ 5,000	\$100
\$ 5,001 -\$10,000	\$150
\$10,001 - \$15,000	\$200
\$15,001 - \$20,000	\$250
\$20,001 - \$25,000	\$300
\$25,001 - \$30,000	\$350
\$30,001 - \$50,000	\$450

Certification Statement

I certify that the information above is correct to the best of my knowledge. I authorize ECDC to make inquiries as necessary to verify the accuracy of the statements made by me and to determine my creditworthiness. I have read and understand the costs outlined above. I agree to indemnify and hold harmless ECDC EDG, its officers, directors, employees, agents and volunteers from any and all claims, loss or other liability arising from or related to the services that ECDC EDG provides before, during, and after the loan review process. I agree to pay the required sums and I agree to be bound by the loan agreement, if my application is accepted.

I further certify that no principle of the business has been convicted of a sex offense against a minor.

Applicant Signature: _____

Date: _____

Are you currently six months or more behind in paying child support, as part of a court ordered agreement? _____ yes _____no

For ECDC EDG Internal Use:

Date Application Received: _____ Received by: _____

ECDC Enterprise Development Group is a non-profit 501c(3) corporation

PART I

In addition to this application, bring the following to your meeting with your loan officer.

- \$100 (**non-refundable**)
- Solid co-signer, if your credit score is under 620.
- Business Plan, including expected cash revenues and expenses, by month, for one year.
- Federal Tax returns for the last 2 years.
- Two I.D.'s: (one must have your picture). If U.S. Citizen, passport, birth certificate, voter Id. card or Certificate of Naturalization. If refugee/asylee, I-94 or Green Card.
- Personal Financial Statement. We have an SBA form for you to fill out.
- 3 Most recent bank statements and pay stubs.
- Personal or commercial driver's license and driving record if vehicle is to be purchased with the loan or is important to the business.
- For an existing business: income statement, balance sheet, and Federal tax returns, all for the last 2 years, 3 years, if available.
- If a co-signer is needed - co-signer form, credit history, Federal tax returns for last 2 years, and two I.D.'s, proof of being moderate income.
- If a co-signer is needed –3 recent bank statements, recent pay stub, collateral statement, and proof of ownership of any collateral.

PART II

If the loan receives preliminary approval, you will have to provide the following information.

- Proof of ownership of collateral. If real estate is collateral, a copy of deed of trust. [EDG will order a title search and place all liens at your cost]. If a vehicle is collateral, a copy of the title.
- Business registration form (sole proprietorship) or Articles of Incorporation w/ list of all shareholder/owners.
- Copy of all required licenses and permits. Applicants should secure a home occupancy/trade name registration from respective domicile (County, City, etc.) when applicable (trucks, home-based, etc.).
- Purchase orders or invoices for items to be purchased.
- Copy of lease (if applicable) – lease term must be equal to or exceed the term of the loan.
- Mechanical check for vehicles to be purchased or used as collateral.
- Personal or commercial driver's license and driving record if vehicle is to be purchased with the loan or is important to the business.
- Proof of business insurance – copy of policy (EDG will be loss payee on policy).
- Evidence of your 30%/20% contribution to your project.
- Other information that may be applicable to a particular loan application.

ECDC Enterprise Development Group is an equal opportunity lender and employer. ECDC Enterprise Development Group does not discriminate on basis of race, gender, age, sexual orientation, national origin or religion.