



SBA 504 LOAN PROGRAM

Fixed Asset Financing For Growing Businesses

While each 504 project requires customization, there is a standard set of information we need to see. Here are the **basic categories of information** that we want to receive immediately on the proposed project:

Background on Business:

- Last two years of financial statements (signed by an appropriate officer) on the business, including balance sheets and income statements. These statements can be internal or accountant-generated, but I will also need the last two years of business tax returns (also signed).
- Interim financial statements – including a balance sheet and income statement – on the business. Please get the most updated statement available for the current fiscal year. Please have them signed.
- A signed projected income statement for the next two years. These figures can be annualized estimates, and generally do not need to detail month-by-month figures. However, if the business unit is a start-up, will need monthly cash-flow estimates for the first year.
- If available, a business plan or feasibility study. We generally do not need these for existing businesses, but we like to see some detail on business planning for a start-up business unit.

Background on Business Owners:

- Joint Personal financial statement on each owner and their spouse. (The SBA requires a joint statement even if the spouse will not be involved in the deal, to verify available liquid resources.)
- Last two years of personal tax returns for each owner (please make sure they are all signed).
- Resumes and/or work histories on key personnel.
- Last two years of tax returns on any affiliated businesses (businesses owned or controlled by one of the owners of the business we are considering).

Background on Project:

We often begin work on these projects when the borrower has not completed all detail on the proposed project, which means that specifics might be unavailable or tentative. Therefore, we simply ask for as much detail as is currently available, including the following:

- Detail on site and building: Is it ground-up construction? Acquisition of an existing building? If so, what is the estimated renovation budget?
- Purchase agreement on land and building – or HUD settlement statement if already purchased
- Construction bids or contracts
- Other expenses – such as design costs, impact fees, etc.