

Small Business Financing

U.S. Small Business Administration
504 Loan Highlights



We provide financing for:	<ul style="list-style-type: none">◆ Land/Building Acquisition◆ Machinery & Equipment◆ Expansion◆ Building Construction◆ Renovation & Modernization
Typical Loan Structure:	<ul style="list-style-type: none">◆ 50% First Mortgage from Private Sector Lender◆ 40% Second Mortgage from Utah Certified Development Company ("CDC") (Guaranteed by the U.S. Small Business Administration)◆ 10% Down Payment from Small Business
Maximum CDC Loan Amount:	<ul style="list-style-type: none">◆ \$5,000,000◆ Up to \$5,500,000 for small manufacturers◆ Private Lender portion unlimited
Term:	<ul style="list-style-type: none">◆ CDC Loan: 10 or 20 years
Rate of Interest:	<ul style="list-style-type: none">◆ Near Long-Term Treasury Bond Rates
Collateral:	<ul style="list-style-type: none">◆ Second Mortgage, or lien on assets purchased with loan proceeds
Advantages:	<ul style="list-style-type: none">◆ Long Term◆ Lower Than Market Rates◆ Low Down Payment◆ Fixed Rate
Eligibility Requirements:	<ul style="list-style-type: none">◆ Must be a for-profit Corporation, Partnership, LLC, or Proprietorship◆ Net worth of the business must not exceed \$15 million◆ Average net profit after tax must not exceed \$5 million for the last 2 years
Ineligible Purposes:	<ul style="list-style-type: none">◆ Working Capital◆ Debt Consolidation or Repayment
Ineligible Businesses:	<ul style="list-style-type: none">◆ Passive Investment Firms◆ Unregulated Media Firms◆ Gambling◆ Real Estate Investment◆ Not-for-profit Corporations◆ Finance Related Firms◆ Amusement Parks

How To Proceed: The following should be prepared for any initial meeting:

- Project Description.
- Estimate of total project costs, including detail on new construction, renovation, machinery, or equipment.
- Purchase agreement or offer to purchase for real estate involved in the project.
- Product description and product literature. Discuss competition, strengths, weaknesses, method of distribution, type of marketing, future plans, and management.
- Financial statement of the company for the past three years, and an interim statement less than 90 days old.
- Personal financial statements of all officers and stockholders with 20% or more ownership in the company.



504 Loan Application Checklist

X	Item Description
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Business Information

	A history and description of the business (form included in application packet)
	Business financial statements for the last 3 years for both the operating company and the real estate holding company, if applicable
	Interim financial statement (balance sheet and income statement) dated within the last 90 days for both the operating company and the real estate holding company, if applicable
	An aging of accounts receivable and aging of accounts payable for the operating company – this should match the interim financial statement above
	For a new business (less than 2 years of operations) a monthly cash flow analysis for the first 12 months of operation or for 3 months beyond the break-even point (whichever is longer) together with a description of assumptions
	Business debt schedule for both the operating company and the real estate holding company, if applicable (form included in application packet)
	Federal tax returns for the last 3 years for both the operating company and the real estate holding company, if applicable
	Articles of Incorporation and By-Laws (if Corporation)
	Articles of Organization and Operating Agreement (if LLC)
	Partnership Agreement (if Partnership)
	Trust Documents (if any of the principals have a trust)
	Franchise Agreement, if applicable
	The names of affiliated businesses as well as the last two years' tax returns or the last two fiscal year-end financial statements for each of these firms, if applicable – affiliated business include any firms where any of the principals have some ownership or management control

Personal Information for each principal and any key management individuals

	Personal tax returns for the last 3 years
	Personal resume (form included in application packet)
	Statement of Personal History (form included in application packet) along with a copy of your driver's license. This is required for each officer and director (regardless of ownership) and each proprietor, partner and stockholder with 20% or more ownership.
	Personal Financial Statement (form included in application packet) – If married, SBA requires spouse's information & signature be included. This does not commit the spouse to be a guarantor on the loan.)

Real Estate Information

	Real estate purchase agreement or settlement statement
	Construction cost budget and/or equipment invoices
	Existing environmental studies

SBA 504 Loan Application



Operating Company

Company Name: _____

Address: _____ Tax ID# _____

City: _____ State: _____ Zip: _____

Business Web Site: _____ Phone: _____ Fax: _____

Principal in Charge: _____ Phone: _____ Email: _____

Secondary Contact: _____ Phone: _____ Email: _____

Type of Business: _____ Date Established: _____

Type of Entity (check one): Proprietorship Partnership Corporation LLC

Officers/Owners	Name (Full Legal Name)	Title (Pres/VP/Sec/Manager/Member)	Ownership % (Must total 100%)

Real Estate Holding Company if applicable – if property will be held personally, please indicate name(s) here

Company Name: _____

Address: _____ Tax ID# _____

City: _____ State: _____ Zip: _____

Principal in Charge: _____ Phone: _____ Email: _____

Secondary Contact: _____ Phone: _____ Email: _____

Type of Business: _____ Date Established: _____

Type of Entity (check one): Proprietorship Partnership Corporation LLC Trust

Officers/Owners	Name (Full Legal Name)	Title (Pres/VP/Sec/Manager/Member/Trustee)	Ownership % (Must total 100%)

Affiliate Businesses The names of affiliated businesses (through ownership or management control) for each person with 20% or greater ownership in either business listed above. Attach additional sheet if necessary.

Company Name: _____ Owner: _____ % Ownership: _____
 Company Name: _____ Owner: _____ % Ownership: _____

Project Information

Street address of project: _____
 City: _____ State: _____ Zip: _____ County: _____

Square footage of new building: _____ Square footage your company will occupy*: _____
 *Please note – SBA requires your company to occupy 51% of an existing building and 60% of new construction.

Escrow Closing Date: _____
 Realtor's Name: _____ Phone: _____

Total Project Costs

Purchase of existing building or Equipment only		Construction Project	
Purchase Price _____	\$ _____	Land acquisition _____	\$ _____
Tenant Improvements _____	\$ _____	Construction bid _____	\$ _____
Equipment* _____	\$ _____	Architects, permits, other soft costs _____	\$ _____
Other _____	\$ _____	Equipment* _____	\$ _____
Total _____	\$ _____	Other _____	\$ _____
		Total _____	\$ _____

*Please note – equipment to be financed must have a useful life of 10 years or greater

If there are or will be any tenants that will lease a portion of the building, please provide the following information:

Tenant Name	Square Footage	Rent Amount

Employees

Number of Current Employees: _____

Estimated number of new employees within the next two years as a result of this project: _____

Key Employees:	Name	Title	Responsibilities	Years with Company	Years in Industry

Miscellaneous Questions

Have you or any officer of your company ever been involved in bankruptcy or insolvency proceedings? Yes No

Are you or your business involved in any pending or prior lawsuits? Yes No If yes, please provide details on separate sheet.

Has the applicant or any principal ever had an SBA loan or Guaranteed an SBA Loan? Yes No

If yes, please provide a copy of the SBA Loan Authorization and the following, even if the loan is paid in full:

SBA Loan #: _____ SBA Loan Name: _____
Original Amount: \$ _____ Date of the Loan: _____
Current Balance: \$ _____ Status: _____

Has the applicant or any principal ever received any other type of government financing? Yes No

If yes, please provide a current statement and complete the information below, even if the loan is paid in full:

Original Amount: \$ _____ Date of the Loan: _____
Current Balance: \$ _____ Status: _____
(Additional sheets may be attached if there are multiple loans.)

Notice - Important information about identification procedures when obtaining a 504 loan

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all Certified Development Companies to obtain, verify, and record information that identifies each person who applies for a 504 Loan.

What this means for you: When you apply for a 504 Loan, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Authorization to Release Information

I/We hereby authorize any financial corporations, insurance companies, investors, credit bureaus, employers, banks, etc., to release any and/or all information on my/our records and/or accounts to Utah CDC at their request.

I/We also authorize any information to be released by my/our original or photocopied signature.

I/We hereby certify that the enclosed information, including any attachments or exhibits provided herewithin or at a later date, is valid and correct to the best of my/our knowledge.

By: _____ Date: _____ , 20 _____

Printed Name

By: _____ Date: _____ , 20 _____

Printed Name

By: _____ Date: _____ , 20 _____

Printed Name

By: _____ Date: _____ , 20 _____

Printed Name

History and Nature of Business

◆◆◆ Please Note ◆◆◆

The information requested on this form is a key factor in the approval of your application.
Please fill in all areas of this form, making sure to give a complete history of your business.
Use attachments as necessary.

Company Name: _____

When and by whom was your company established? _____

When did you gain control of the business? _____

Please describe the nature of your business and its primary products or services: _____

Name of Company: _____ % of business owned: _____

Full Address: _____
Street City State Zip

From: _____ To: _____ Title: _____

Duties: _____

Name of Company: _____ % of business owned: _____

Full Address: _____
Street City State Zip

From: _____ To: _____ Title: _____

Duties: _____

Name of Company: _____ % of business owned: _____

Full Address: _____
Street City State Zip

From: _____ To: _____ Title: _____

Duties: _____

Education

College or Technical Training

1. _____
Name and Location Dates Attended Major Degree or Certificate

Comments: _____

2. _____
Name and Location Dates Attended Major Degree or Certificate

Comments: _____

3. _____
Name and Location Dates Attended Major Degree or Certificate

Comments: _____

4. _____
Name and Location Dates Attended Major Degree or Certificate

Comments: _____

Business Debt Schedule

As of*: _____
 For: _____

PAYABLE TO	ORIGINAL AMOUNT	ORIGINAL DATE	PRESENT BALANCE	RATE OF INTEREST	MATURITY DATE	MONTHLY PAYMENT	SECURITY	CURRENT OR PAST DUE
ACCT #:								
ACCT #:								
ACCT #:								
ACCT #:								
ACCT #:								
ACCT #:								
ACCT #:								
ACCT #:								
ACCT #:								

*Dates and amounts must match information shown on current financials



PERSONAL FINANCIAL STATEMENT

U.S. SMALL BUSINESS ADMINISTRATION

As of _____, _____

Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock, or (4) any person or entity providing a guaranty on the loan.

Name	Business Phone
Residence Address	Residence Phone
City, State, & Zip Code	
Business Name of Applicant/Borrower	

ASSETS	(Omit Cents)	LIABILITIES	(Omit Cents)
Cash on hand & in Banks	\$ _____	Accounts Payable	\$ _____
Savings Accounts	\$ _____	Notes Payable to Banks and Others	\$ _____
IRA or Other Retirement Account	\$ _____	(Describe in Section 2)	
Accounts & Notes Receivable	\$ _____	Installment Account (Auto)	\$ _____
Life Insurance-Cash Surrender Value Only	\$ _____	Mo. Payments \$ _____	
(Complete Section 8)		Installment Account (Other)	\$ _____
Stocks and Bonds	\$ _____	Mo. Payments \$ _____	
(Describe in Section 3)		Loan on Life Insurance	\$ _____
Real Estate	\$ _____	Mortgages on Real Estate	\$ _____
(Describe in Section 4)		(Describe in Section 4)	
Automobile-Present Value	\$ _____	Unpaid Taxes	\$ _____
Other Personal Property	\$ _____	(Describe in Section 6)	
(Describe in Section 5)		Other Liabilities	\$ _____
Other Assets	\$ _____	(Describe in Section 7)	
(Describe in Section 5)		Total Liabilities	\$ _____
Total	\$ _____	Net Worth	\$ _____
		Total	\$ _____

Section 1. Source of Income	Contingent Liabilities
Salary	As Endorser or Co-Maker
Net Investment Income	Legal Claims & Judgments
Real Estate Income	Provision for Federal Income Tax
Other Income (Describe below)*	Other Special Debt

Description of Other Income in Section 1.

*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

Section 2. Notes Payable to Banks and Others. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

Name and Address of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed).

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

Section 4. Real Estate Owned. (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Property			
Address			
Date Purchased			
Original Cost			
Present Market Value			
Name & Address of Mortgage Holder			
Mortgage Account Number			
Mortgage Balance			
Amount of Payment per Month/Year			
Status of Mortgage			

Section 5. Other Personal Property and Other Assets. (Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and if delinquent, describe delinquency)

Section 6. Unpaid Taxes. (Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

Section 7. Other Liabilities. (Describe in detail.)

Section 8. Life Insurance Held. (Give face amount and cash surrender value of policies - name of insurance company and beneficiaries)

I authorize SBA/Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan. I understand FALSE statements may result in forfeiture of benefits and possible prosecution by the U.S. Attorney General (Reference 18 U.S.C. 1001).

Signature: _____ Date: _____ Social Security Number: _____

Signature: _____ Date: _____ Social Security Number: _____

PLEASE NOTE: The estimated average burden hours for the completion of this form is 1.5 hours per response. If you have questions or comments concerning this estimate or any other aspect of this information, please contact Chief, Administrative Branch, U.S. Small Business Administration, Washington, D.C. 20416, and Clearance Officer, Paper Reduction Project (3245-0188), Office of Management and Budget, Washington, D.C. 20503. **PLEASE DO NOT SEND FORMS TO OMB.**



United States of America
SMALL BUSINESS ADMINISTRATION
STATEMENT OF PERSONAL HISTORY

Please Read Carefully: SBA uses Form 912 as one part of its assessment of program eligibility. Please reference SBA Regulations and Standard Operating Procedures if you have any questions about who must submit this form and where to submit it. For further information, please call SBA's Answer Desk at 1-800-U-ASK-SBA (1-800-827-5722), or check SBA's website at www.sba.gov.

Name and Address of Applicant (Firm Name)(Street, City, State, and ZIP Code)		SBA District/Disaster Area Office	
		Amount Applied for (when applicable)	File No. (if known)
1. Personal Statement of: (State name in full, if no middle name, state (NMN), or if initial only, indicate initial.) List all former names used, and dates each name was used. Use separate sheet if necessary.		2. Give the percentage of ownership or stock owned or to be owned in the small business or the development company	Social Security No.
First	Middle	3. Date of Birth (Month, day, and year)	
		4. Place of Birth: (City & State or Foreign Country)	

Name and Address of participating lender or surety co. (when applicable and known)	5. U.S. Citizen? <input type="checkbox"/> YES <input type="checkbox"/> NO If No, are you a Lawful Permanent resident alien: <input type="checkbox"/> YES <input type="checkbox"/> NO If non- U.S. citizen provide alien registration number: _____	INITIALS: _____
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6. Present residence address: From: To: Address: Home Telephone No. (Include Area Code): Business Telephone No. (Include Area Code):	Most recent prior address (omit if over 10 years ago): From: To: Address:
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PLEASE SEE REVERSE SIDE FOR EXPLANATION REGARDING DISCLOSURE OF INFORMATION AND THE USES OF SUCH INFORMATION.

YOU MUST INITIAL YOUR RESPONSES TO QUESTIONS 5,7,8 AND 9.

IF YOU ANSWER "YES" TO 7, 8, OR 9, FURNISH DETAILS ON A SEPARATE SHEET. INCLUDE DATES, LOCATION, FINES, SENTENCES, WHETHER MISDEMEANOR OR FELONY, DATES OF PAROLE/PROBATION, UNPAID FINES OR PENALTIES, NAME(S) UNDER WHICH CHARGED, AND ANY OTHER PERTINENT INFORMATION. AN ARREST OR CONVICTION RECORD WILL NOT NECESSARILY DISQUALIFY YOU; HOWEVER, UNTRUTHFUL ANSWER WILL CAUSE YOUR APPLICATION TO BE DENIED AND SUBJECT YOU TO OTHER PENALTIES AS NOTED BELOW.

7. Are you presently under indictment, on parole or probation? INITIALS: _____

Yes No (If yes, indicate date parole or probation is to expire.)

8. Have you ever been charged with, and/or arrested for, any criminal offense other than a minor motor vehicle violation? Include offenses which have been dismissed, discharged, or not prosecuted. (All arrests and charges must be disclosed and explained on an attached sheet.)

Yes No INITIALS: _____

9. Have you ever been convicted, placed on pretrial diversion, or placed on any form of probation, including adjudication withheld pending probation, for any criminal offense other than a minor vehicle violation?

Yes No INITIALS: _____

10. I authorize the Small Business Administration Office of Inspector General to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for programs authorized by the Small Business Act, and the Small Business Investment Act.

CAUTION - PENALTIES FOR FALSE STATEMENTS: Knowingly making a false statement on this form is a violation of Federal law and could result in criminal prosecution, significant civil penalties, and a denial of your loan, surety bond, or other program participation. A false statement is punishable under 18 USC 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

Signature	Title	Date
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Agency Use Only

11. <input type="checkbox"/> Fingerprints Waived <input type="checkbox"/> Fingerprints Required Date Sent to OIG _____	Date _____ Approving Authority _____ Date _____ Approving Authority _____	12. <input type="checkbox"/> Cleared for Processing Date _____ Approving Authority _____ 13. <input type="checkbox"/> Request a Character Evaluation Date _____ Approving Authority _____ (Required whenever 7, 8 or 9 are answered "yes" even if cleared for processing.)
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PLEASE NOTE: The estimated burden for completing this form is 15 minutes per response. You are not required to respond to any collection of information unless it displays a currently valid OMB approval number. Comments on the burden should be sent to U.S. Small Business Administration, Chief, AIB, 409 3rd St., S.W., Washington D.C. 20416 and Desk Officer for the Small Business Administration, Office of Management and Budget, New Executive Office Building, Room 10202, Washington, D.C. 20503. OMB Approval 3245-0178. **PLEASE DO NOT SEND FORMS TO OMB.**

NOTICES REQUIRED BY LAW

The following is a brief summary of the laws applicable to this solicitation of information.

Paperwork Reduction Act (44 U.S.C. Chapter 35)

SBA is collecting the information on this form to make a character and credit eligibility decision to fund or deny you a loan or other form of assistance. The information is required in order for SBA to have sufficient information to determine whether to provide you with the requested assistance. The information collected may be checked against criminal history indices of the Federal Bureau of Investigation.

Privacy Act (5 U.S.C. § 552a)

Any person can request to see or get copies of any personal information that SBA has in his or her file, when that file is retrieved by individual identifiers, such as name or social security numbers. Requests for information about another party may be denied unless SBA has the written permission of the individual to release the information to the requestor or unless the information is subject to disclosure under the Freedom of Information Act.

Under the provisions of the Privacy Act, you are not required to provide your social security number. Failure to provide your social security number may not affect any right, benefit or privilege to which you are entitled. Disclosures of name and other personal identifiers are, however, required for a benefit, as SBA requires an individual seeking assistance from SBA to provide it with sufficient information for it to make a character determination. In determining whether an individual is of good character, SBA considers the person's integrity, candor, and disposition toward criminal actions. In making loans pursuant to section 7(a)(6) the Small Business Act (the Act), 15 USC § 636 (a)(6), SBA is required to have reasonable assurance that the loan is of sound value and will be repaid or that it is in the best interest of the Government to grant the assistance requested. Additionally, SBA is specifically authorized to verify your criminal history, or lack thereof, pursuant to section 7(a)(1)(B), 15 USC § 636(a)(1)(B). Further, for all forms of assistance, SBA is authorized to make all investigations necessary to ensure that a person has not engaged in acts that violate or will violate the Act or the Small Business Investment Act, 15 USC §§ 634(b)(11) and 687b(a). For these purposes, you are asked to voluntarily provide your social security number to assist SBA in making a character determination and to distinguish you from other individuals with the same or similar name or other personal identifier.

When the information collected on this form indicates a violation or potential violation of law, whether civil, criminal, or administrative in nature, SBA may refer it to the appropriate agency, whether Federal, State, local, or foreign, charged with responsibility for or otherwise involved in investigation, prosecution, enforcement or prevention of such violations. See 74 Fed. Reg. 14890 (2009) for other published routine uses.



Assistance & Loan Application Fee Agreement

Please read this agreement carefully. In signing this agreement, you acknowledge that you have read, understood and agree to be bound by each and every provision set forth herein.

This Agreement is made and entered into between Utah Certified Development Company ("CDC") and the undersigned ("Applicant").

Applicant is seeking loan financing assistance under Section 504 of the Small Business Act, ("504 Loan Program") and CDC is willing to assist with the loan application services necessary to apply for such 504 Loan. Therefore, Applicant and CDC agree as follows:

1. Preparation of Loan Application

CDC will assist Applicant in preparing the 504 Loan Package required by the U.S. Small Business Administration ("SBA") prior to the SBA considering Applicant's application for an SBA 504 Loan Guaranty.

Promptly upon request, Applicant shall provide CDC with all requisite documentation, information and data necessary to prepare the 504 Loan Application Package. Applicant agrees that all documentation, information and data provided shall be current, accurate and complete. Applicant shall do each and every other thing required to package the 504 Application.

2. Loan Processing Fee

In accordance with SBA regulations, CDC will charge a processing fee equal to 1.5% of the net proceeds of the SBA 504 loan proceeds. Applicant agrees to pay, as a deposit, a portion of the Loan Processing Fee at the time applicant signs this agreement and a 504 Loan Application File is opened. The deposit is based on the following schedule:

CDC/SBA Loan Amount:	\$50,000 – 150,000	\$150,001 – 500,000	\$500,001 - 1,000,000	\$1,000,001 +
Up Front Fee:	\$1,000	\$2,000	\$3,000	\$4,000

If Applicant chooses to terminate this agreement, for any reason, CDC shall retain the deposit to partially compensate for its time and resources involved in the application and/or approval process.

If the Final 504 Loan Package is approved and Applicant obtains 504 Loan financing, the total 504 Loan Processing Fee will be financed with the 504 Loan Proceeds, and the deposit paid by Applicant will be refunded to Applicant upon 504 Loan funding.

3. No Representations or Warranties

Applicant understands and acknowledges that CDC cannot and does not make representations or warranties as to the likelihood of 504 Loan guaranty Authorization by the SBA and/or applicant obtaining any 504 loan. Applicant acknowledges and agrees that CDC and CDC's employees, agents and representatives have made no representations, promises or warranties to Applicant and that Applicant has not relied on any representation, promise or warranty of CDC and/or CDC's employees, agents and/or representatives regarding approval and/or obtaining a 504 loan. The CDC has no authority to bind the SBA or any lender. CDC makes no representation as to the length of time to prepare the 504 loan application package, submission to a lender and/or any other actions implied by this agreement.

4. Change of Circumstances

Applicant agrees to immediately notify CDC in writing of any material adverse change in Applicant's financial condition, and the absence of such notification shall be considered a continuing statement that no such unfavorable change has occurred.

5. 504 Loan Requirements Subject to Change

The charges, rules, regulations and procedures related to Applicant's 504 Loan application are governed by federal regulations. Such federal regulations are subject to change, and therefore, the information contained herein is subject to change. Additional requirements or changes may be imposed by CDC or SBA. Applicant is responsible for understanding all requirements, costs and restrictions applicable to the 504 program. Applicant is encouraged to seek the advice of its own legal counsel before and during the entirety of the 504 loan application process. By signing this Agreement, Applicant acknowledges it has read, understands, and agrees to be bound by each and every provision set forth herein.

6. Termination

CDC may terminate its 504 loan packaging services and all other obligations under this Agreement upon written notice to Applicant. Applicant may terminate the loan packaging services of CDC upon written notice.

7. Interest Rate

The interest rate on an SBA 504 Loan is determined at the time of 504 Debenture Sale. Any discussion of interest rate at time of application or any time after loan approval, prior to Debenture Sale, is for demonstration and example only and does not constitute a quote or guarantee of the interest rate.

8. Entire Agreement

This agreement sets forth the entire agreement between the parties hereto and fully supersedes all prior oral and/or written agreements, understandings, commitments, and practices between the parties pertaining to the subject matter hereof.

9. Construction of Agreement

This agreement shall be construed under the laws of the State of Utah. Should any litigation arise out of or in connection with this agreement, the Courts of the State of Utah shall have jurisdiction thereof.

10. Indemnification

Applicant will indemnify and hold CDC and its officers, directors, employees, agents, and attorneys harmless from any and all loss, damage or injury (including attorneys' fees incurred with attorneys of CDC's choice) resulting from failure by Applicant to receive 504 Loan guaranty authorization by the SBA and/or any loss, damage or liability to Applicant or the business of Applicant. CDC shall not be liable for any of the debts, expenses or obligation incurred by Applicant or on its behalf in preparing the 504 Loan Application Package. Further, Applicant hereby agrees to indemnify CDC and hold CDC harmless from any loss, liability, claim, demand, cost, charge or damage arising out of or related to this Agreement and defend CDC against any demand, claim or charge made against CDC arising out of or related to this Agreement, including, without limitation, any attorneys fees incurred by CDC in defending any such action.

11. Identification Procedures

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all 504 lenders (Certified Development Companies) to obtain, verify, and record information that identifies each person who applies for a 504 Loan. Applicant acknowledges that CDC will request names, addresses, dates of birth, driver's licenses, other identifying documents and other information that will allow CDC to properly identify Applicant. Applicant further acknowledges that this information is required to complete an SBA 504 Loan Application.

12. Publicity Use

The undersigned hereby authorizes the CDC to use any business name associated with the undersigned Applicant, as well as photos of the Applicant's business premises in CDC related promotional material.

Check here if you do not agree to publicity use of names and photos.

UTAH CERTIFIED DEVELOPMENT COMPANY

By: _____
Name & Title:

Date: _____

APPLICANT:

By: _____
Name & Title:

Date: _____

Borrower Contribution



Providing Evidence of Borrower Contribution

Each SBA 504 loan requires that the borrower contribute a specific percentage of their own cash into the project. SBA officials in the Office of Credit Risk Management have provided the following list of acceptable forms of documentation when evidencing the borrower's contribution:

- A **FINAL** Settlement Statement that is **certified and signed** by the title **company closing officer or attorney**, with borrower contribution clearly reflected on the Settlement Statement.
- Copies of paid invoices **with the cleared checks attached to each invoice, showing both the back and front of the check.**
- Copies of bank statements listing the cleared checks, **with copies of the cleared checks attached, showing both the back and front of the check.**
- Interim interest paid out of pocket by the borrower needs to be verified by bank statements or account printouts, signed by the first mortgage lender loan officer.
- In cases of seller financing serving as borrower contribution, a copy of the seller Note will be required.
- In cases of land value serving as borrower contribution, the CDC will document this with the appraisal.