

Frankenmuth Credit Union

LOAN APPLICATION AND CHECKLIST

Obtaining financing for a business is different than financing for personal needs. To a certain extent every commercial loan is custom tailored for a particular borrower and situation. Principal, interest and time of repayment of the loan depends on the type and purpose of the financing as well as the source of repayment and financial condition of the company.

It is important to approach Frankenmuth Credit Union with a well-organized and detailed borrowing plan. The following checklist of items should be included as part of the presentation to the credit union, as applied to the type of loan you will need:

FOR ALL LOANS

Year end financial statements for the past 3 years for an existing business

Interim Year to Date Financial Statement for company if 90 or more days after year-end for an existing business

Personal Financial Information (For all owners/officers with 20% or greater ownership)

Past 3 years' complete Personal Federal Tax Return (Include any and all Schedules

Personal Financial Statement (credit union's form preferred but not required)

NOTE: If an extension was filed on tax returns, the extension filing must accompany

STARTING NEW BUSINESS

Breakdown of Total Project Cost

A detailed & specific Plan explaining the future of the business

Copy of Business Entity documents

Personal Resume

3-year projections

PURCHASE EXISTING BUSINESS

3-years federal tax returns on the business

A year-to-date Balance Sheet and income/expense statements from business

Breakdown of Purchase Price

A copy of the Purchase Agreement

A business plan explaining the history, current status and future of the business with you as owner

List any past business expenses that would not exist in the future

Copy of new business entity papers (Articles of Incorporation, Certificate of Co-Partnership, etc.)

Personal Resumes

3 years of Income & Expense Projections

EQUIPMENT PURCHASES

Invoice Showing equipment information (Year, make, model, Serial # and Cost)

EQUIPMENT REFINANCES

Statement from financing institution showing balance and account number
Title (if applicable) will be needed, if approved

ALL REAL ESTATE LOAN

Copy of Past Appraisal, if available
A copy of last property tax bill
A copy of survey, if available
Completed Real Estate Environmental Questionnaire

FOR INVESTMENT PROPERTY:

Copy of all lease agreements and intents to lease
A year-to-date rent roll
List of typical annual expenses (can be from tax return/Schedule E)

PURCHASE REAL ESTATE

Signed Purchase Agreement
3 years of financials on income/expenses from real estate from seller

REFINANCE REAL ESTATE

Statement from financial institution showing balance and account number

CONSTRUCTION/IMPROVEMENTS TO EXISTING

Construction contract and cost breakdown
Plans and Specifications

OTHER HELPFUL INFORMATION

Business Lease, If applicable
Copy of Franchise Agreement, if applicable

BUSINESS DESCRIPTION

(Complete this if you have not created a formal business plan, which you will need to submit with this application)

Nature of your Business:

Types of Products / Services you offer:

Customer Profile:

Competitors – how do you differentiate your company/product from those of your competitors?

Major past accomplishments:

Future plans for growth / expansion:

What size and type of loan are you seeking and how will this benefit your company?

