

# BUSINESS LOAN APPLICATION



## Contact Information

### NPH

1664 S. Second Street  
Gallup, New Mexico 87301

*Native Partnership for Housings (NPH) Inc. is certified as a Community Development Entity (CDE) by the U.S. Department of the Treasury CDFI Fund. Receipt of one or more loan applications from qualified or unqualified loan applicants does not legally bind NPH to issue a commercial loan to the submitting entity. NPH retains the right to determine (a) the order which applications will be reviewed, (b) the timeframe for reviewing applications, and (c) which applications shall become candidates for loan awards.*

*NPH does not discriminate in its lending programs or activities on the basis of race, color, national or ethnic origin, ancestry, age, religion or religious creed, disability or handicap, sex or gender, sexual orientation, military or veteran status, genetic information, or any other characteristic protected under applicable federal, state or local law.*

*The information contained within this Commercial Loan Application package includes loan guidance and required loan forms. This document is subject to change without notice at the discretion of NPH Board of Director.*

# LOAN GUIDANCE

## 1. Fees

- a. Origination Fee. All loans will require a \$100.00 origination fee, loan closing and personal guarantees from the applicants. Rates and Terms 12.95% for 5-year period.

## 2. Evaluation Factors

Typical factors that are evaluated for a loan request include:

- a. Credit Report. While good credit is important, NPH recognizes that applicants may have had credit issues in the past. We attempt to be more flexible than a traditional lender when reviewing your credit report, if and when acceptable.
- b. Equity. We want to see that an applicant has something at stake in the business. For a startup this may be in the form of cash or equipment, or other assets already owned by the business before the loan.
- c. Cash Flow/Profitability. As this is the primary source for repayment of loan, we review financial statements in order to determine cash flow and profitability.

## 3. Application Checklists

Utilize one of the following checklists to prepare loan application submission documents for either a Startup Business, or an Existing Business

<b>STARTUP BUSINESS</b>	
<input type="checkbox"/>	a. Completed application form (signed and dated)
<input type="checkbox"/>	b. Business Plan
<input type="checkbox"/>	c. Resume of each principal
<input type="checkbox"/>	d. Personal Financial Statements for each principal
<input type="checkbox"/>	e. Copy of corporate documents
<input type="checkbox"/>	f. Credit Authorization and Release Form (signed and dated)
<input type="checkbox"/>	g. List of additional collateral available to secure loan
<input type="checkbox"/>	h. Copy of Driver's License
<input type="checkbox"/>	i. Copy of Tribal Enrollment
<input type="checkbox"/>	j. Copies of last three years of federal income tax returns for each principal
<input type="checkbox"/>	k. Detailed source and use of funds statement
<input type="checkbox"/>	l. Cash flow projections for the first 36 months of business operations
<input type="checkbox"/>	m. Twelve-month Profit and Loss Projection
<input type="checkbox"/>	n. Proposed product brochures, marketing materials and list of prospective customers

<b>EXISTING BUSINESS</b>	
<input type="checkbox"/>	a. Completed application form (signed and dated)
<input type="checkbox"/>	b. Business Plan
<input type="checkbox"/>	c. Resume of each principal
<input type="checkbox"/>	d. Personal Financial Statements for each principal
<input type="checkbox"/>	e. Copy of corporate documents
<input type="checkbox"/>	f. Credit Authorization and Release Form (signed and dated)
<input type="checkbox"/>	g. List of additional collateral available to secure loan
<input type="checkbox"/>	h. Copy of Driver's License
<input type="checkbox"/>	i. Copy of Tribal Enrollment or CDIB Card
<input type="checkbox"/>	j. Copies of last three years of federal income tax returns for each principal
<input type="checkbox"/>	k. Detailed source and use of funds statement
<input type="checkbox"/>	l. Copies of last three years of Business federal tax returns
<input type="checkbox"/>	m. Interim business financials (Balance Sheet and Profit and Loss Statement)
<input type="checkbox"/>	n. Month-to-month projections for one fiscal year

#### **4. Part I - Business**

- a. General Information. Provide business-related contact information, Tax ID#, business ownership, primary applicant information, and co-applicant or guarantor information.
- b. Business Description. Identify the legal structure of your business (e.g. Sole-proprietorship, LLC, C-Corporation, S-Corporation, etc.) Provide a narrative description and overview of the purpose of your business, applicable history (e.g. accomplishments), products & services, target market (e.g. international/domestic/regional markets, etc.), business competition, key personnel/management of your business, goals (e.g. short-, mid-, and long-term), and a description of unmet needs that constitute the basis of the loan request.
- c. Loan Request. Identify the loan amount, the purpose of the loan, and a projected budget based on your business' unmet needs. The combined budget should be equal to the total the loan amount requested.
- d. Existing Business Debt. Document existing business debt which may include loans, leases, contracts, notes payable, auto loans, credit card debt, mortgages, etc.
- e. Business and Personal Collateral. In lending agreements, collateral is a borrower's pledge of specific property to a lender, to secure repayment of a loan. In this section of the application, identify collateral that may be used to secure the loan. Collateral may include but is not limited to real estate, property, liquid assets (e.g. cash, securities), stocks and bonds.

#### **5. Part II - Owners, Co-Applicants & Guarantors**

- a. Part II Required. Application Part II is required from all partners with at least 20% ownership, all guarantors, and all co-signers.

#### **6. Credit Report Authorization & Release**

A separate Credit Report Authorization and Release Form (signed and dated) is required for:

- a. Startup Business applications
- b. Existing Business applications
- c. Each person filling out the Loan Application Part II

#### **7. NPH Review Process.**

We utilize the same basic lending guidelines and procedures as traditional lending institutions when reviewing a loan application. The difference is that we are more flexible in how we apply these guidelines in our decision-making process. Once the loan application packet is complete it will be reviewed for consideration.

- a. Pre-Submission Review. NPH personnel will engage potential applicants in a discussion prior to the loan application submission, in order to (a) field questions about NPH services, and (b) inform the applicant of required application documents.

#### **8. Technical Assistance.**

NPH's staff is available to provide technical assistance to those interested in starting a new business or expanding an existing business. Business assistance may include:

- Information of business structure
- Preparation of loan packet materials
- Starting a Business
- Writing a Business Plan
- Marketing Your Business
- Business Structure and Legal Issues

# LOAN FORM - PART I

## NPH LOAN APPLICATION – Part I – BUSINESS

Complete one copy of this form for your business.

Business Name	Business Phone	Website: (if applicable)
Business Address	Primary Contact Person	Contact's Cell Phone
Business City, State & Zip	Tax ID Number	Year Business Founded
<p><b>CHECK AS APPLICABLE:</b> Applicant is applying for this loan:</p> <p><input type="checkbox"/> Individually, without a co-applicant(s) or guarantor(s).</p> <p><input type="checkbox"/> Jointly, with a co-applicant(s) or guarantor(s). All persons with more than 20% ownership in the business must apply as co-applicants. Business must provide 51% ownership by tribal citizen.</p> <p>Name of Primary Applicant: _____ Social Security Number: _____</p> <p>Name of Co-applicant or Guarantor: _____ Social Security Number: _____</p> <p>Name of Co-applicant or Guarantor: _____ Social Security Number: _____</p> <p>Name of Co-applicant or Guarantor: _____ Social Security Number: _____</p>		

<b>Business Ownership</b>		
Please list all owners of the business and percent ownership:		
Name	Owned Since (Year)	Percent (%) Owned

<b>Business Description</b>	
Type of business (Legal Structure):	
General Description:	
History:	
Business Products and Services:	
Target Market:	Primary Market(s) • TBD



**Collateral**

Please list and describe the business and personal collateral available to secure this loan.

Item	Resale Value	Is this used as collateral on an existing loan? Yes/No	Existing Debt on Item	Item Description

**Additional Required Documentation:**

Please include the following documents with your application in order for the application to be considered complete.

**Items that are attached in this application package:**

- |                                     |   |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | Credit Report Authorization and Release for each person filling out the NPH Loan Application Part II      |
| <input checked="" type="checkbox"/> | NPH Application Part II from all partners with at least 20% ownership, all guarantors, and all co-signers |

**Supplemental Items:**

- |                          |  |
|--------------------------|--|
| <input type="checkbox"/> | Personal taxes for the past three years for each partner with at least 20% ownership, all guarantors, and all co-signers.  |
| <input type="checkbox"/> | Internally prepared income statement and balance sheet for the business for the last three fiscal years.   |
| <input type="checkbox"/> | Internally prepared income statement and balance sheet for the current year through the previous month (including year-to-date totals)   |
| <input type="checkbox"/> | Accounts Receivable Aging report (if Accounts Receivable will be used as collateral)   |
| <input type="checkbox"/> | Business Plan  |
| <input type="checkbox"/> | 12-months of business cash flow projections  |
| <input type="checkbox"/> | Business taxes for previous three years  |
| <input type="checkbox"/> | Copies: Each principal's tribal enrollment card and each principal's driver's license  |
| <input type="checkbox"/> | Resumes of key personnel   |
| <input type="checkbox"/> | Corporate Documents: <ul style="list-style-type: none"> <li>• Corporation: Articles of Incorporation and Bylaws</li> <li>• Partnership: Partnership Agreement</li> <li>• LLC and LLP: Operating Agreement</li> </ul> |

**If you have any questions about the above items or if you need assistance, please contact  
NPH's CEO or lending department.**

I hereby authorize NPH to make all inquiries it deems necessary to verify the accuracy of the information provided herein, to determine my creditworthiness, and for any other purpose related to my credit transaction with them. Further, I hereby certify that the enclosed application information, including any attachments/exhibits, is valid and correct to the best of my knowledge.

\_\_\_\_\_  
Applicant or Guarantor's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Applicant's Signature (if listing assets jointly)

\_\_\_\_\_  
Date

NPH practices equal treatment of clients. NPH does not discriminate on the grounds of race, color, religion, gender, marital status, disability or national origin in services or accommodations offered to our clients or guests.

## LOAN FORM - PART II

<b>NPH LOAN APPLICATION – Part II OWNERS, CO-APPLICANTS and GUARANTORS</b>			
Part II of NPH's loan application must be completed individually by each <b>owner with 20% or more ownership</b> . In addition, each guarantor and co-signer must individually complete this section of the application. If additional copies of the Business Loan Application Part II are needed, this section can be photocopied.			
Name	Business Phone	Residence Phone	Cell Phone
Residence Street Address <input type="checkbox"/> Own <input type="checkbox"/> Rent	City	State	Zip
Email Address	Social Security Number	Tribal Enrollment ID Number	
Occupation	Name of Employer		# of Years
Date of Birth	Have you ever applied for a CDFI loan? If so, date:    /    /		
Marital Status: <input type="checkbox"/> Married, <input type="checkbox"/> Separated, <input type="checkbox"/> Unmarried (includes single, divorced or widowed) <i>Navajo CDFI does not discriminate on the basis of marital status, this information will be used to assess collateral and guarantees</i>			
Applicant Type: <input type="checkbox"/> Owner/Partner/Shareholder/Director with more than 20% ownership, <input type="checkbox"/> Guarantor			
Are you, (a) presently under indictment, on parole or probation or (b) have you ever been charged with or arrested or convicted of any criminal offense other than a vehicle violation? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Have you, (a) been involved in bankruptcy or insolvency proceeding or (b) have pending personal or business judgments, unsettled lawsuits or major disputes? <input type="checkbox"/> Yes <input type="checkbox"/> No			

<b>Personal Financial Statement</b>			
Please fill out the following summary information. The 12 schedules following this chart ask for detailed information about each line item below. Please make sure that the detailed information total from each of the 12 schedules matches in numbers entered in this chart.			
ASSETS		LIABILITIES	
Cash on Hand	\$	Accounts and Bills Payable (Complete Schedule I)	\$
Cash in Bank Accounts (Complete Schedule A)	\$	Debt on Real Estate (Describe in Schedule J)	\$
IRA or Other Retirement Account (Complete Schedule B)	\$	Notes and Loans Payable (Describe in Schedule K)	\$
Accounts and Notes Receivable (Complete Schedule C)	\$	Unpaid Taxes and Other Liabilities (Describe in Schedule L)	\$
Cash Value of Life Insurance \$ _____ (Complete Schedule D)	\$	<b>TOTAL LIABILITIES</b>	\$
Stock and Bonds (Describe in Schedule E)	\$		
Real Estate (Describe in Schedule F)	\$		
Privately Owned Businesses (Describe in Schedule G)	\$		
Total Other Assets (Describe in Schedule H)	\$	<b>NET WORTH (TOTAL ASSETS LESS TOTAL LIABILITIES)</b>	\$
<b>TOTAL ASSETS</b>	\$	<b>TOTAL LIABILITIES PLUS NET WORTH</b>	\$
<b>PLEASE INDICATE OR PROVIDE EXPLANATION RELATING TO ANY ASSETS OWNED JOINTLY OR BY A TRUST OR LIABILITIES OWED WITH OTHERS. (ATTACH SCHEDULES AND EXPLANATORY NOTES IF NECESSARY)</b>			



## Detailed Schedules for the Personal Financial Statement

Schedule A			Cash Location, Status of Bank Accounts and Savings Accounts						
CKNG	CDs	SVNG	Bank/Branch where carried	Balance	Interest Rate	Date CD Matures	Pledged for a loan?	Balance of loan	Maturity date of loan
TOTAL:									

\* Alimony, child support or maintenance payment income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation

Schedule B		Retirement Accounts				
Account Type	Investment Company	Balance	Pledged for a loan?	Balance of loan	Maturity date of loan	Account fully vested?
TOTAL:						

Schedule C		Accounts and Notes Receivable				
Owner(s)	Due From	Address	Collateral	Maturity	How Payable (\$/per)	Balance due
TOTAL:						

Schedule D		Life Insurance				
Insurance Company	Policy#	Type Owner	Face Amount of Policy	Beneficiary	Amount	Net Cash Value Borrowed
TOTAL:						

Schedule E		Stocks & Bonds (Include interest in any closely held business)					
Description	No. Shares	Registered in Name of	Source of Valuation	Date	Price per Share	Total Value	Purchased on Margin or Pledged
TOTAL:							

Schedule F		Real Estate				
Description	Address/Location	Owner(s)	Date Acquired	Purchase Price	Present Value	
TOTAL:						

Schedule G		Privately-owned Business				
Name/Type of Business	Date Acquired	% Owned	Gross Revenue Three Years	Net Profit Three Years	Cost	Market Value
TOTAL:						

Schedule H		Automobiles, Other Assets and Personal Property				
Automobiles (Year/Make)	Value	Recreational Vehicles/Boats (Year/Make)	Value	Personal Property	Value	Subtotals
				Furniture		Autos
				Jewelry		RVs/Boats
				Equipment		Pers. Property
				Other		
				Other		
SUBTOTAL:		SUBTOTAL:		SUBTOTAL:		TOTAL:

Schedule I		Accounts and Bills Payable (including Credit Cards)			
Payable to	Account Number	Person(s) Liable	How Payable (\$/per)	Balance due	
TOTAL:					

Schedule J		Debt on Real Estate			
Description	Payable to	Payment	Date of Loan	Original Balance	Balance due
TOTAL:				TOTAL:	

Schedule K		Notes and Loans Payable (Auto, Installment Loans, Life Ins., 401K)				
Payable to	Address	Collateral	Person(s) Liable	Maturity Date	How Payable (\$/per)	Balance due
TOTAL:						

Schedule L	Tax and Other Liabilities			
Payable to	Person(s) Liable	Collateral	How Payable (\$/per)	Balance due
TOTAL:				

Monthly Personal Financials			
Income	Amount \$	Expenses	Amount \$
Salary/Owner draws from Business		Education and Childcare	
Spouse's Income		Food and Clothing	
Applicant's other Employment Income		Child Support / Alimony	
Any other Income (per cap, etc.)		Home Rent / Mortgage	
TOTAL:		Utilities	
		Auto (Insurance, Fuel, Maintenance)	
		Credit Card Payments	
		Other Loan Payments	
		Other:	
		Other:	
TOTAL:			

Business and Personal References (Non-Family)			
Name	Address	Phone	Relationship
Point of Contact of closest relative not living with you:			
Name	Address	Phone	Relationship

**Please attach a list explaining any unsatisfactory accounts that may appear on your credit report.**

I hereby authorize NPH to make all inquiries it deems necessary to verify the accuracy of the information provided herein, to determine my credit-worthiness, and for any other purpose related to my credit transaction with them. Further, I hereby certify that the enclosed application information, including any attachments/exhibits, is valid and correct to the best of my knowledge.

\_\_\_\_\_

Applicant or Guarantor's Signature Date

\_\_\_\_\_

Co-Applicant's Signature (if listing assets jointly) Date

NPH practices equal treatment of clients. NPH does not discriminate on the grounds of race, color, religion, gender, marital status, disability or national origin in services or accommodations offered to our clients or guests.

## CREDIT REPORT AUTHORIZATION AND RELEASE

Authorization is hereby granted to the Native Partnership for Housing, Inc (“NPH”) to obtain a standard factual data credit report through a credit reporting agency chosen by NPH.

My signature below authorizes the release to the credit reporting agency a copy of my credit application and authorizes the credit reporting agency to obtain information regarding outstanding accounts with NPH. Authorization is further granted to the reporting agency to use a photo static reproduction of this authorization if necessary to obtain information regarding the above-mentioned information.

Applicants hereby request a copy of the credit report obtained with any possible derogatory information be sent to the address of present residence and holds NPH and any credit reporting agency harmless in so mailing the copy requested.

Any reproduction of this credit report authorization and release made by reliable means (for example, photocopy or facsimile) is considered original.

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Borrower's Signature

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Date

---

Borrower's Signature

---

Date

