



Thank you for your interest in the N.C. Microenterprise Loan Program (MLP) of the N.C. Rural Economic Development Center. The mission of the MLP is to promote self-employment, small-scale business creation and economic independence in rural North Carolina.

The MLP offers loans from \$500 to a maximum of \$25,000. Loans that are \$5,000 or less are classified as express loans and will be expedited.

**ELIGIBILITY**

- You own and operate a legal business in rural N.C. or plan to do so.
- You reside in N.C. **and** are at least 18 years of age.
- Your credit shows a successful repayment history. We use a credit score of 575 or above as a guideline, but there is not a required minimum.
- You do not have any active judgments, foreclosures, or federal obligations in default.
- In addition, your business must employ fewer than 10 full-time employees.

**DIRECTIONS FOR COMPLETING APPLICATION**

All applicants must submit a Pre-Application before submitting an Application. Once MLP staff has approved the Pre-Application, an Application must be completed *in its entirety* before it is processed. Your initials are required on each page of the Application in the lower right-hand corner. All co-signers/guarantors must initial and sign the Application **and** complete a separate Co-Applicant Form. **Submit the original, completed application and any attachments with signatures to the Rural Center’s mailing address: 4021 Carya Drive, Raleigh, NC 27610.** Facsimile copies and electronic files will not be accepted.

**Make sure that you take the time to submit the most current and accurate information. Please feel free to include any additional information that will help the credit committee make an informed decision regarding your request (e.g. photos, documents, news stories, explanations of past credit woes).** NOTE: Any information submitted becomes the property of the Rural Center and will not be returned.

Required For All Loans	Check
Signed and initialed Application (by applicant and all co-applicants)	
Signed and initialed Co-Applicant form (by all co-applicants, if applicable)	
12-month cash flow statement (Excel file)	
Documentation of proposed collateral (copy of car title, deeds, etc.)	
Copy of personal tax returns (most recent two years)	
Copy of income documentation (recent paycheck stubs or proof of government payments)	
Copy of Sole Proprietorship, Partnership, LLC or Articles of Incorporation filing	
Business plan (for requests over \$5,000 or if specifically requested by MLP staff)	
Resume(s) of key management (include co-applicant as well, if applicable)	
Copy of lease agreement and/or insurance policy (if applicable)	
<b>In addition to the list above, existing businesses are required to submit:</b>	

Business tax returns (most recent two years)	
Profit/loss statement (most recent quarter end & most recent year end)	

Submit original by mail to:  
 N.C. Rural Economic Development Center  
 Attn: Derek Williams, Program Associate  
 4021 Cary Drive, Raleigh, NC 27610

**Questions?** Call Derek at 919.250.4314

**PERSONAL INFORMATION**

Name of Applicant (First, Middle, Last):

\_\_\_\_\_

Street Address:

\_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ County:

\_\_\_\_\_

Social Security Number: \_\_\_\_\_ Date of Birth (MM/DD/YYYY):

\_\_\_\_\_

Primary Phone: \_\_\_\_\_ Secondary Phone:

\_\_\_\_\_

N.C. Driver's License Number: \_\_\_\_\_ Email Address:

\_\_\_\_\_

Is there a co-applicant?  Yes  No

Co-applicant's Name(s): \_\_\_\_\_

\_\_\_\_\_

*\*Note: Co-applicants must fill out a separate Co-applicant Form.*

**Employment Information**

Are you currently employed?  Yes  No

Provide your last employer's name, address and telephone number below:

Employer:

\_\_\_\_\_

Street Address:

\_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ County:

\_\_\_\_\_

Phone Number: \_\_\_\_\_ May we contact this employer to verify loan information?

Yes  No

Dates of employment: Start Date \_\_\_\_\_ End Date \_\_\_\_\_

How many hours do you work per week? \_\_\_\_\_

What is your job title? \_\_\_\_\_

Do you plan to keep this job while operating your business?  Yes  No

### PERSONAL ASSET STATEMENT

Please provide us with information about your personal assets. Assets are those resources you own that have economic value (e.g. your home, car, land). If more space is needed, please attach additional sheets.

Do you own your home?  Yes  No If yes, is it a  House  Mobile Home  Condominium  Other

Name of mortgage holder: \_\_\_\_\_

If you rent, please provide your landlord's name, address and phone number:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Assets	Value
Cash on hand	\$
Savings Accounts	\$
Automobiles (Present Value)	\$
Value of your home	\$
Value of other real estate you own	\$
IRA/Retirement Account	\$
Stocks and Bonds	\$
Other Assets ( )	\$

Other Assets ( )	\$
<b>Total Assets</b>	<b>\$</b>

## PERSONAL MONTHLY BUDGET

### Income

Please provide us with detail about your monthly income (you only) and your household's monthly income (you plus other household earners). Your total income should include all salary and wage payments, owner's draw from your business, and any other revenue sources you have (e.g. rental income or government assistance).

Source:	Applicant's Monthly Income (You)	Household's Monthly Income
From Jobs/Employment	\$	\$
From Business	\$	\$
Other ( )	\$	\$
Other ( )	\$	\$
Other ( )	\$	\$
<b>Total</b>	<b>\$</b>	<b>\$</b>

### Expenses

Please provide the following information for any loan or debt payments you have. Include:

#### Monthly Loan Payments

Loan Type (description)	Lender Name	Original Balance	Current Balance	Monthly Payments
<i>Ex: Mortgage</i>	<i>ABC Bank</i>	<i>\$100,000</i>	<i>\$50,000</i>	<i>\$1,000</i>
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
<b>Total</b>		<b>\$</b>	<b>\$</b>	<b>\$</b>

#### Monthly Expenses

Expense	Monthly Payments
Total Loan Payments	\$

(from above)	
Rent	\$
Utilities and Insurance	\$
Other Expenses	\$
Phones (Home & Cell)	\$
Vehicle Maintenance and Fuel	\$
Vehicle Insurance	\$
Household and Food	\$
Child Care	\$
Medical Care	\$
Other (_____)	\$
Other (_____)	\$
Other (_____)	\$
<b>Total</b>	<b>\$</b>

## YOUR BUSINESS

Please provide us with the following information about your business.

Business Name:

\_\_\_\_\_

Business Address:

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ County: \_\_\_\_\_

When did you or when will you start your business?

\_\_\_\_\_

Describe in detail the type of product or service your business will offer.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If you have an existing business, what were last year's gross revenues?

\$ \_\_\_\_\_

Number of Employees (if existing)

Full Time \_\_\_\_\_ Part Time \_\_\_\_\_ Contract \_\_\_\_\_

What is the legal structure? *Include copies of all legal documents filed with county Register of Deeds or the N.C. Secretary of State.*

- Sole proprietorship
- Partnership
- Limited Liability Company
- Corporation, C-Corp, S-Corp

Please list any state and/or federal licenses your business is required to have in order to operate.

Do you currently have this license?  Yes  No  Not Applicable

**INTENDED USE OF LOAN FUNDS**

Please provide us with details of your loan request below. You may request up to \$25,000 (unless previously stipulated to do otherwise). Loans \$5,000 and under are considered express loans and will be expedited. Attach additional sheets to further break down your request.

Item (describe or list)	Amount
Equipment ( _____ )	\$
Inventory ( _____ )	\$
Working Capital ( _____ )	\$
Other ( _____ )	\$
Other ( _____ )	\$
<b>Total Loan Request</b>	<b>\$</b>

**Other Sources of Capital**

Amount you plan to invest	\$
Other loans/investors ( _____ )	\$
Other loans/investors ( _____ )	\$

**Collateral Information**

Please provide us with information about the assets available to secure this loan.

Assets available to secure this loan (describe)	Value of Asset	Loans on Asset
Vehicle 1 ( _____ )	\$	\$
Vehicle 2 ( _____ )	\$	\$
Property 1 ( _____ )	\$	\$

Property 2 ( _____ )	\$	\$
Inventory ( _____ )	\$	\$
Equipment ( _____ )	\$	\$
Other ( _____ )	\$	\$
<b>Total</b>	<b>\$</b>	<b>\$</b>

### Business Notes Payable Schedule

Please include on this schedule all existing notes and long-term leases for your business, including mortgages, revolving credit arrangements, equipment leases and any other type of debts, secured or unsecured. If you need more space, please attach additional sheets.

Loan Type	Lender Name	Original Balance	Current Balance	Monthly Payments
<i>Ex: Equipment loan</i>	<i>XYZ Bank</i>	<i>\$20,000</i>	<i>\$7,000</i>	<i>\$500</i>
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
<b>Total</b>		<b>\$</b>	<b>\$</b>	<b>\$</b>

### Alternate Contact Information

Please provide names of two relatives or close friends not living with you as alternate contacts in the event we're unable to reach you.

<p><b>Alternate Contact 1</b></p> <p>Name: _____</p> <p>Relationship: _____</p> <p>Address: _____</p> <p>City, State, Zip: _____</p> <p>Telephone: _____</p> <p>Email: _____</p>	<p><b>Alternate Contact 2</b></p> <p>Name: _____</p> <p>Relationship: _____</p> <p>Address: _____</p> <p>City, State, Zip: _____</p> <p>Telephone: _____</p> <p>Email: _____</p>
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### Signature

***The undersigned hereby authorizes the Rural Economic Development Center or any of its affiliates to make all inquiries with credit bureaus and others it deems necessary -including business counselors, consultants and partnering agencies –to verify the accuracy of the information provided herein and to determine credit worthiness. Further, the undersigned hereby certifies that the enclosed***

***application information is valid, accurate and complete. The undersigned hereby further certifies that the proceeds of any loan made as a result of this application will be used for business purposes only and will not be used to cover current debt, general fees related to the preparation of this document or personal or consumer purchases.***

**Applicant**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Co-Applicant 1**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Co-Applicant 2**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**The following information is required for program reporting and statistical monitoring. Your response to these questions will not affect consideration of your application.**

**Gender:**  Male  Female

**Marital Status:**  Single  Married  Widowed  Divorced

**Race:**  African American  American Indian  Asian  Hispanic  Multi-racial  Pacific Islander

White  Other  Unknown

**Ethnicity:**  Hispanic  Non-Hispanic  Not Applicable  Other  Unknown

**Veteran of the U.S. military:**  Yes  No

**SUBMISSION INSTRUCTIONS**



Submit original by mail to:  
N.C. Rural Economic Development Center  
Attn: Derek Williams, Program Associate  
4021 Carya Drive, Raleigh, NC 27610

**Questions?** Call Derek at 919.250.4314

## THE APPLICATION PROCESS

- Submit the original, completed application and any attachments with signatures to the Rural Center's mailing address. Facsimile copies and electronic files will not be accepted.
- Once we receive the loan package, we will notify the applicant to confirm our receipt. If the package is incomplete, we will inform you of the missing information. NOTE: Submitting incomplete information may increase processing time.
- The loan review process evaluates 6 criteria: credit, collateral, cash flow, capacity, character & conditions.
- For express loans (loans under \$5,000), you will typically receive a final decision within three to five business days from receipt of a complete application.
- For loans over \$5,000, final decisions are made by a credit committee and typically take 2-3 weeks from receipt of a complete application.
- Once a complete application is received, a staff member will explain the impending credit committee review process.

### Criteria Reviewed

To consistently make fair funding decisions, the Microenterprise Loan Program uses six common underwriting criteria to evaluate applications:

- **Credit** - Your credit history details money loaned to you, other debts and your borrowing capacity. We take a close look at your credit report and may ask for further explanation of any collections, liens, judgments, bankruptcies, or generally derogatory credit.
- **Collateral** - Collateral serves as a secondary source of repayment in the event you are unable to repay the loan debt. Common sources of collateral include personal vehicles, real estate, and business equipment.
- **Cash Flow** - We closely examine your business and individual cash availability after paying all monthly expenses. Your ability to maintain consistent cash flow over time is important in our overall analysis.
- **Capacity** - To determine capacity, we look at your management/professional work history. We want to see if your experience supports role you will serve in your business.
- **Conditions** - Refers to the market conditions of the area your business is located in. The environment surrounding your business is just as important as the business itself.
- **Character** - Your character holds just as much weight as the other C's of credit. It informs us of your credibility and your ability to work through a process. Phone and email conversations help us get to know you throughout the application process. Your responsiveness can positively (or negatively) affect your character evaluation. We may also call upon references.