



Dear Applicant:

Thank you for your interest in the South Dallas/Fair Park Trust Fund Commercial Loan Program. Enclosed are the program guidelines and application. Please review this information carefully.

The loan application process has been streamlined to minimize excessive paperwork and time. However, adequate information is required to make an informed lending decision. We urge your understanding and cooperation in completing the application and supporting documents. Please print clearly, or type the application and make sure that it is signed, dated and all requested attachments are included.

Please provide the following information with the attached application:

Business Plan

② Provide a brief and concise typewritten business plan. The business plan narrative should adequately communicate the company's goals and objectives and provide a basis for evaluating and controlling the company's performance. The applicants must submit evidence of business viability including, but not limited to business experience, capital, credit, employee workforce, business investors, references and a written explanation of how the business benefits/impacts the community

② **Recent copy of credit report**

② **List and value of items to be used as collateral**

② Budget detailing use of loan funds

Company Financial Statements and Tax Returns

Corporate/Business Income and Balance Sheet Financial Statements (past three years, if applicable)

Corporate/Business Tax Returns (past three years, if applicable)

Most recent interim Income Statement and Balance Sheet with Accounts Receivable and Payable Schedules

Financial Projections for Income and Balance Sheets (for three years, the first year by months, annual for the second and third year, include assumptions and notes explaining the basis for the projected figures)

Business Bank Statements (last twelve months)

Trade Name Certificate, Articles and Certificate of Incorporation

Copy of most recent Payroll Tax Payment (Form 941)

Personal Financial Statements

Personal Tax Returns (past two years)

Need Personal Financial Statements and Tax Returns for all guarantors (past two years)

Purchase Order, Quotation or Bid

Copy of Purchase Order, Quotation or Bid if loan funds are to be used for the purchase of a specific item or piece of equipment

Resumes for Owners and all other Officers

Detail management experience and work history

If you need assistance, the **Business Assistance Center** located at the Inner City Community Development Corporation, 4907 Spring Avenue, 214-915-9900, serves as a community resource for business information, orientation, training, management assistance and administrative support. If you have any questions related to the program or application, please call our office at (214) 670-8268.

**SOUTH DALLAS/FAIR PARK TRUST FUND
COMMERCIAL LOAN GUIDELINES**

PROGRAM GOALS

1. To create job opportunities in the Trust Fund area for unemployed and underemployed residents
2. To provide funding assistance for businesses to develop and/or expand, thus providing community economic development and job opportunities
3. To provide gap financing--using public funds to leverage private capital through conventional lending sources

ELIGIBILITY

1. Businesses must be located and remain within one of the following census tracts, 25, 27.01, 27.02, 28, 29, 34, 35, 36, 37, 38, 39.01, 39.02 and 40, for a period of five years or for the term of the loan, whichever is greater
2. Business owner's City tax account status must be current

LOAN AMOUNT

1. Minimum of \$1,000 to a maximum of \$50,000

RATE

1. Fixed three percent, simple interest

TERMS

1. A specific repayment schedule and terms for each borrower will be contained in the individual loan agreement

COLLATERAL

1. First lien on assets purchased with loan funds or existing unencumbered assets of the business or equivalence, i.e. personal assets such as stocks, bonds, certificates of deposits, real estate, etc.
2. Personal guaranty of owner(s)

USE OF FUNDS

1. Building renovation and/or leasehold improvements
2. Equipment purchase
3. Inventory, raw materials, etc.

REPORTING REQUIREMENTS

1. All debtors will be required to submit quarterly reports as stated in the loan contract and audited annually
2. All expenditures will need to be supported with the appropriate bids, documents, receipts and vouchers
3. All records related to activities supported wholly or partially by Trust Fund monies must be available to City staff for review during all business hours

INELIGIBLE BUSINESSES

1. Motels, hotels, boarding houses, etc.
2. Night clubs, dance halls etc.
3. Pawn shops, swap and buy shops, etc.
4. Casinos, gambling houses, etc.
5. Alcohol-related businesses
6. Programs which do not operate in accordance with the First Amendment church/state principles in connection with the provisions of services

APPLICATION AVAILABILITY

1. **In person, or by mail** at the:
South Dallas/Fair Park Trust Fund Office
Office of Economic Development
Martin Luther King, Jr. Community Center
2922 Martin Luther King, Jr. Blvd., Suite 132
Dallas, TX 75215
(214) 670-8268
Monday thru Friday, 8:15 a.m. - 5:15 p.m.

APPLICATION DEADLINE

1. Applications will be received until all funding has been disbursed. Applicants should refrain from discussing their application with the Trust Fund Board members. Please address questions or information requests to the Trust Fund Office at 670-8268.

SOUTH DALLAS/FAIR PARK TRUST FUND COMMERCIAL LOAN APPLICATION

Section I - Background Information

Applicant Name	Phone # (Work)	Phone # (Home)	Fax #	Pager/Mobile #
----------------	----------------	----------------	-------	----------------

Business Name (if different from applicant)

Business Street Address, City, State, Zip Code

Name of Contact	Title	Phone # (Wk)(HM)	Annual Sales	Date Established (If New or Relocating, List Opening Date)
-----------------	-------	------------------	--------------	--

Home Street Address (if different from above)

Social Security #	Federal Tax ID#	Driver's License #
-------------------	-----------------	--------------------

Current Ownership Since	Number of Locations	Number of Employees	Number Of Years Business Has Been Located In The Trust Fund Area
-------------------------	---------------------	---------------------	--

Corporate Structure

Sole Proprietorship
 Sub-Chapter S Corporation
 Partnership
 Corporation

Product/Services Provided:

Terms of Sale

Cash
 Credit
 Installment

Principal suppliers (Name, Address and Telephone Number)

Are supplier discounts available?
 Yes No
 If Yes, do you take those discounts?
 Always Sometimes Never

Do you own or rent your office space?

Own
 Rent (Monthly Expense \$)

Section II - Loan Request

Amount requested \$	List collateral pledged (Attach a separate sheet if necessary)
---------------------	--

Purpose of loan

Section III - Principals/Guarantors

List ALL principals and guarantors who will be obligated on this loan (attach a separate list if needed).

1. Name	Title	Social Security #	Date of Birth	% Ownership
		Driver's License #		

Street Address, City, State, Zip Code	<input type="checkbox"/> Own <input type="checkbox"/> Rent	Years at Address	Telephone # (Wk) (HM)
---------------------------------------	---	------------------	-----------------------

Total Annual Income	Total Annual Expenditures	Total Assets	Total Liabilities
---------------------	---------------------------	--------------	-------------------

2. Name		Title	Social Security #	Date of Birth	% Ownership
			Driver's License #		
Street Address, City, State, Zip Code			<input type="checkbox"/> Own <input type="checkbox"/> Rent	Years at Address	Telephone # (Wk) (H)
Total Annual Income	Total Annual Expenditures	Total Assets	Total Liabilities		

Section IV - Banking/References
List the name of bank(s) where business Depository and Borrowing accounts are maintained. If you have a borrowing relationship, please indicate type and amount (attach a separate list if needed).

1. Bank Name	Contact	Telephone #
--------------	---------	-------------

Street Address, City, State, Zip Code

Account Number	<input type="checkbox"/> Checking	Monthly Average Balance \$	Account Number	<input type="checkbox"/> Checking	Monthly Average Balance \$
	<input type="checkbox"/> Savings			<input type="checkbox"/> Savings	
	<input type="checkbox"/> Other			<input type="checkbox"/> Other	

2. Bank Name	Contact	Telephone #
--------------	---------	-------------

Street Address, City, State, Zip Code

Account Number	<input type="checkbox"/> Checking	Monthly Average Balance \$	Account Number	<input type="checkbox"/> Checking	Monthly Average Balance \$
	<input type="checkbox"/> Savings			<input type="checkbox"/> Savings	
	<input type="checkbox"/> Other			<input type="checkbox"/> Other	

Section V - Miscellaneous

1. Does the company have an insurance agent/broker? Yes No	Contact Name	Telephone #
--	--------------	-------------

If yes, list the name of insurance company

Street Address, City, State, Zip Code	Coverage Type	Amount of Coverage \$
---------------------------------------	---------------	-----------------------

2. Do the guarantors have a Key Man Life Insurance policy in effect? <input type="checkbox"/> Yes <input type="checkbox"/> No (if Yes, Fill In Information Below)

Name of Guarantor	Amount of Policy \$	Name of Guarantor	Amount of Policy \$
-------------------	---------------------	-------------------	---------------------

3. Does the business entity or guarantors owe any taxes for years prior to current year? <input type="checkbox"/> Yes <input type="checkbox"/> No	If Yes, Amount \$	To Whom
---	-------------------	---------

4. Is the business or are the guarantors an endorser, guarantor or co-maker for obligations (including any lease obligations i.e., vehicle equipment) not listed on its financial statements? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Please Explain

5. Has the business entity, or have guarantors ever been involved in any bankruptcy proceedings? (If Yes, please attach explanation) <input type="checkbox"/> Yes <input type="checkbox"/> No

6. Is the business entity, or are guarantors involved in any pending lawsuits or have any outstanding judgments against them? (If yes, attach explanation) <input type="checkbox"/> Yes <input type="checkbox"/> No

The undersigned expressly authorizes the City of Dallas to obtain such information deemed necessary concerning the granting of this loan and that all statements made in the application and attachments are true and have been made for the purpose of obtaining a business loan. All loans made to the Borrower by the City of Dallas are personally guaranteed.

Name of borrower (please type or print) _____ Date _____ Signature of borrower _____ Date _____

Signature of guarantor _____ Date _____ Signature of guarantor _____ Date _____

Title of guarantor _____ Date _____ Title of guarantor _____ Date _____

**South Dallas Fair Park/Trust Fund Board
Commercial Loan Subcommittee**

**Policies for Commercial Loans
Revision Date May 1, 2001**

Location of Applicant

All loan applicants must have a potential business address in the target area at the time that the loan application is submitted and must maintain this address throughout the duration of the loan. This information will be confirmed prior to action on the loan by the Commercial Loan subcommittee and the Dallas City Council.

Consideration by the Subcommittee

No loan application will be considered by the subcommittee until all required information has been submitted to Staff for review. It is the responsibility of Staff to check the application for compliance with the guidelines.

Second time Loan Recipients

Applicants may have multiple loans not to exceed \$100,000. New applications by the same applicant will not be considered if a current outstanding loan in the amount of \$50,000 exists.

In order for an applicant to be considered for an additional loan, that applicant cannot have a payment history that includes more than two excessively late payments throughout the duration of a previous loan. An excessively late payment is defined as any payment not received and posted by the City of Dallas Revenue and Taxation office within thirty (30) days of the date it was due.

Consideration will be given to new loan applicants prior to repeat applicants.

Any recipient of a loan received prior to the approved increased loan amount of \$50,000 may reapply for additional monies under the following terms:

- Recipient must have a good payment history as defined above
- Recipient must repay the current loan in full upon receipt of the new loan

Loan Review Cycle

The subcommittee will review loan applications on the first Thursday of each month. Completed applications must be received by the Trust Fund Office at least two weeks prior to the scheduled meeting to be considered for the current month. A completed application is defined on the application instructions.

Request for Additional Information

Additional information requested by Staff or the Subcommittee is due within 60 days of the request. Requested information not received within that period will result in the termination of the application and will require an applicant to begin the process again. Previously submitted information may not be used if an applicant is to reapply.

Interest Rate for Additional Loans

The subcommittee reserves the right to increase the interest rate on additional loans granted to previous recipients subject to city council approval. This rate shall not exceed prime + 1%.

Late Fees

Late fees for loan payments will be \$25.00 per occurrence. A late fee will be assessed after a payment is 10 days past due. This is effective June 1, 2001.

Fees

The South Dallas/Fair Park Trust Fund will pay the fees associated with the due-diligence and research of the applicant and the applicant's loan. The applicant shall pay for any fees that may be incurred as a result of requested information by the subcommittee or the staff, including but not limited to appraisals for collateral, title policies, insurance, surveys, environmental studies, or other miscellaneous fees, any of which may be required to review and/or approve and fund the loan.

Collateral

All collateral must be properly insured for the duration of the loan and the city must be named as an additional insured. The following will be considered as acceptable forms of collateral. Values given represent maximum advance rates for a given item.

Item	Maximum Value	Other
Stocks, Bonds, and other Securities	80% of Market Value	Securities must be represented on a major exchange.
Computer Equipment	Not accepted	Due to rapid depreciation
Automobiles	Lesser of 50% of cost or Loan Value	Not older than 3 yrs.
Equipment (New)	Lesser of 100% of cost or Value	
Equipment (Used)	Lesser of 75% of cost or appraised value	Desktop appraisal accepted. Appraiser must be Trust Fund Board Approved.
Land / Real Estate (Improved)	Lesser of 90% of cost or tax appraised value with improvements	Certified Appraisal will be considered. Appraiser must be Trust Fund Board Approved
Land / Real Estate (Raw Land)	Lesser of 50% of cost or appraised value of raw land	Certified Appraisal will be considered. Appraiser must be Trust Fund Board Approved
Receivables	Not Accepted	Due to the short term nature of the collateral
Inventory	Not Accepted	

The policies included in this document are subject to change and it is the responsibility of the applicant to confirm their possession of the most recent version. The South Dallas Fair Park Trust Fund Board reserves the right to amend these policies at any time.