

Client Checklist to Prepare for SBA Loans



- Current Personal Financial Statement
- Latest Available Personal Tax Return
- Latest Available Business Tax Return
- Latest Available Internal 2019 YE Financials
- YTD Internal 2020 Financials
- Spreadsheet Detailing the following:
 - List of all Full Time Employees with 8 weeks salary + payroll taxes
 - 2 months rent with copies of leases
 - 2 months mortgage interest with copy of loan payments
 - 2 months of utility costs with copy of utility payments

Note: This was provided by a bank and actual requirements may differ bank to bank

7(a) Loan Application Checklist

SBA Loan Programs for Small Businesses



7(a) Loan Application Checklist

Once a business has decided to apply for a loan guaranteed by the SBA, it will need to collect the appropriate documents for application. Use the checklist below to ensure the business has everything the lender will ask for to complete the application. Once the loan package is complete, the lender will submit it to the SBA.

Borrower Information Form

To begin the process, the small business owner will need to complete SBA Form 1919. This form must be completed by all associates of the business applicant as required on the form, to include all owners of 20% or more of the business, all officers and directors, managing members, any person hired to manage the day-to-day operations and any other person who is guaranteeing the loan.

Personal Background and Financial Statement

To assess a small business owner's eligibility, the SBA also might require that they complete the following forms:

- Statement of Personal History - SBA Form 912 (If required after completing Form 1919)
- Personal Financial Statement - SBA Form 413 (Not required, but available for lenders to use)

Business Financial Statement

To support a small business owner's application and demonstrate ability to repay the a loan, the following statements must be prepared:

- Year End Profit and Loss (P&L) Statement for the last three years
- Year End Balance Sheet for the last three years, including a detailed debt schedule
- Reconciliation of Net Worth
- Interim Balance Sheet
- Interim Profit & Loss Statements
- Projected Financial Statements that include month to month cash flow projections, for at least a one-year period.

Business Certificate/License

Small business owners will need to be able to provide the original business license or certificate of doing business when closing the loan. If the business is a corporation, stamp the corporate seal on the SBA loan application form. This information should be readily available to provide to the lender.

Loan Application History

Include records of any loans the small business owner may have applied for in the past.

Income Tax Returns

Include the business' signed federal income tax returns for the previous three years.

Resumes

Include personal resumes for each principal.

Business Overview and History

Provide a history of the business and its challenges. Include an explanation of why the SBA loan is needed and how it will help the business.

Business Lease

Include a copy of the business lease, or note for a landlord, giving terms of the proposed lease.

Additional Documents (If Purchasing an Existing Business)

The following information may be required for purchasing an existing business:

- Current balance sheet and P&L statement of business to be purchased
- Previous three years' federal income tax returns of the business to be purchased
- Proposed Bill of Sale including Terms of Sale
- Asking price with schedule of inventory, machinery and equipment, furniture and fixtures
- Franchise, jobber or licensing agreements
- Proof of equity injection
- Additional SBA forms may be required based on the specific use of proceeds or fees paid by the applicant to a loans package, broker or agent