

RHODE ISLAND COALITION FOR MINORITY INVESTMENT ("RICMI")

SBA MICROLOAN FACT SHEET

WHEN JUST A "LITTLE LOAN" WILL DO

The microloan program is designed to help small businesses that need just enough financial help to get started or expand. While these "mini loans" are usually not available in traditional financing environment, nevertheless a real need for small business owners exists.

The U.S. Small Business Administration (SBA) and the Rhode Island Coalition for Minority Investment ("RICMI") recognized this problem and through the SBA microloan program, small and home-based businesses now have another option:

Eligibility:

Funds can be used for working capital, inventory, supplies, furniture, fixtures and equipment. Loans cannot exceed \$35,000.

Ineligibility:

Funds cannot be used for down payment, purchase of real estate and the refinancing of an existing debt.

Rates/Terms:

The rate of interest will be a fixed rate between 11.00% and 12.75% (depending on the size of the loan and cost of funds)

Repayment period will not exceed six years.

Requirements:

- Completed initial application
- Schedule personal interview with RICMI
- Business and/Personal tax returns for last three years. (Business applicable.)
- Business and Personal financial statements and tax returns for last three years (Business if applicable.)
- Program Fee - \$100.00 (to be collected upon signing of commitment letter and annually thereafter)
- Other documentation as determined.

Business Development Assistance Available to Microloan Clients:

Free business development assistance is also available to all borrowers. Assistance is available in such areas as: accounting, preparation of financial statements, projections, marketing, cash flow and general operations. Specialists consult with clients and conduct on-site visits for the purpose of better understanding the business and its needs. Other tools for providing assistance include workshops and training.

RHODE ISLAND COALITION FOR MINORITY INVESTMENT
270 WEYBOSSETT STREET, 4TH FLOOR
PROVIDENCE, RI 02903
CALL 401-351-2999

U.S. Small Business Administration



**Rhode Island Coalition
for Minority Investment**



Building a Solid Foundation for Urban Business Development



Building a Solid Foundation for Urban Business Development

MICROLOAN PROGRAM

How to use this application form

We are pleased to provide you with this *MicroLoan Program Application*.

The purpose of the MicroLoan Program is to encourage the creation and stability of small "micro" businesses in Rhode Island by providing financing and technical assistance. The program is funded by the U.S. Small Business Administration (SBA), and sponsored by the Rhode Island Coalition for Minority Investment (RICMI).

Thank you for your interest. If you have any questions, please call our offices at 401/351-2999.

Before you begin filing out this *Application Form*, please review and answer the questions below. This will help to ensure that your application will be processed in a timely manner.

1. **Have you read the MicroLoan Program Fact Sheet?** This form will answer some of the basic questions about the operation of the program and help you decide if you want to apply.
2. **Are you a new business (less than one year in business)?** If so, the MicroLoan Program requires that you prepare an adequate Business Plan which has been reviewed by a business consultant, acceptable to RICMI. If you do not have a business consultant, please contact your nearest Rhode Island Small Business Development Corporation (RI/SBDC) Business Information Center (BIC) for a listing. We also require each owner of a new business to submit at least three years of personal tax returns.
3. **Have you been in business for more than a year?** If so, please enclose at least three years of personal tax returns **and** business tax returns. If the business information is more than 90 days old, please include interim financial statements. The more complete the information, the more quickly we will be able to process your application.
4. **Please contact us to schedule a personal interview with the business development officer to complete the loan application process, once you have completed the application.**

Please mail your complete application to:

Rhode Island Coalition for Minority Investment

270 Weybosset Street

Providence, Rhode Island 02903

Or call 401/351-2999 with any questions.

Rhode Island Coalition
for Minority Investment



Building a Solid Foundation for Urban Business Development

MICROLOAN PROGRAM APPLICATION

Please provide the following information. *If you need more space, attach additional sheets to this application.*

SECTION I – BUSINESS INFORMATION

1. Business Name: _____
2. Business Address – _____
3. City: _____ State _____ County _____ Zip _____
4. Business Tel. - _____ Home Tel. - _____ Fax # _____
5. Business owner(s):

Name(s)	SSN	Address	City/State/Zip
---------	-----	---------	----------------

_____	_____	_____	_____
_____	_____	_____	_____

6. Are all business owners U.S. Citizens Yes No

If no, please list name and give alien registration number: *(please provide copy of card)*

7. Describe Type of Business (product or service): _____

8. Date Business was/will be established: _____

9. Has the business, or any principal of the business, been involved in /bankruptcy or insolvency proceedings?

Yes No If yes, please explain: _____

SECTION II – FINANCING INFORMATION – Please be specific

1. Amount of Loan Requested: _____
2. Purpose of Loan Request: _____
3. How will the loan help the business? _____

Have you contacted a bank for financing? Yes No If yes, What Bank? _____

SECTION III: Personal Financial Statement (complete for all principal with 20% or more ownership.)

Assets: Cash	Real Estate _____	Other Assets _____ <i>(Please List)</i>	Total Assets \$ _____
Liabilities: Real Estate Mortgage _____	Other Liabilities _____ <i>(Please List)</i>	Total Liabilities \$ _____	NET WORTH <i>(Total Assets – Total Liabilities):</i> \$ _____

Annual Income \$

SECTION IV: ELIGIBILITY AND DISCLOSURES:

Notice: The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital, age (providing the applicant has the capacity to enter into the binding contract) or; because all or a part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is the Federal Deposit Insurance Corporation, 160 Gould Street, Needham, MA 02914.

This information and the information provided on all accompanying financial statements and schedules is provided for the purpose of obtaining credit for the Applicant(s) or for the purpose of Applicant(s) guaranteeing credit for others. Applicant(s) acknowledge that representations made in this statement will be relied on by Creditor in its decision to grant such credit, and the application is true and correct in every detail and accurately represents the financial condition of the Applicant(s) on the date given below. Credit is authorized to make all inquiries it deems necessary to verify the accuracy of the information contained herein and to determine the creditworthiness of the Applicant(s). Applicant(s) will promptly notify Credit of any subsequent changes which would affect the accuracy of this Application. Creditor is further authorized to answer any questions about Creditors credit experience with Applicant(s). Applicant(s) are aware that any knowing or willful false statements for purposes of influencing the actions of Creditor can be a violation of federal law.

By signing below, each applicant declares that he/she has read and understands the statement above.

Signed Title Date

Signed Title Date

FOR RICMI USE ONLY
Date Application Received: _____
Date Reviewed: _____
Outcome: (please detail) _____
Technical Assistance Plan: _____