Loan Application

for the

XXCELERATE

Loan Program

Supported by:

Oregon Community Foundation

Powered by:

COLORADO LENDING SOURCE

What is the XXcelerate Loan Program?

To make it easier for entrepreneurs associated with the XXcelerate program in Portland, Oregon, to grow and expand their businesses, Colorado Lending Source in partnership with the Oregon Growth Fund, Oregon Community Foundation, and XXcelerate, has borrowed funds now available to be re-lent out to underserved and under-represented women and transgender owner small businesses referred by XXcelerate who seeking loans in the $5,000 to $100,000 range. The intent is to help businesses who are unable to secure financing from conventional lending sources such as banks, secure friendly and affordable financing to help grow those businesses and create sustainable, living wage jobs. This program is called the XXcelerate Loan Program!

Most small businesses referred by XXcelerate are eligible to access this program although some may not be because of rules associated with some of the funding sources used. For example, small businesses involved with the marijuana industry may not yet eligible because of Federal regulations. Please read through this entire application to learn more about the sort of businesses eligible to access this program and the sort of things you can or can't do with XXcelerate Loan Program funds. Please ask if you have any questions.

Who is Colorado Lending Source?

Colorado Lending Source is a private, nonprofit economic development organization that has been assisting small businesses in Colorado since 1990.

As the state's small business financing expert, Colorado Lending Source partners with local lenders, government agencies, communities, investors, foundations, and, other resource partners to help new or existing small businesses create meaningful living wage jobs and grow the economy. Colorado Lending Source helps inspired people create thriving businesses with funding, education and resources!

How long does it take?

Following your pitch / short presentation, your Colorado Lending Source loan officer will prepare and present your request to the XXcelerate-appointed loan review committee which meets regularly to discuss, review and vote on loan requests that Colorado Lending Source staff recommend for approval.

Once a project has successfully progressed through this final stage, you will receive a commitment letter outlining the terms and conditions of approval along with a closing checklist detailing any additional items that might need to be collected or reviewed prior to funding your loan request.

How quickly it will take to apply for, close and then fund your loan will depend in large part on how quickly you can provide or secure all the items requested as part of this application. On average, you should anticipate that the process, from delivery of a complete loan package to funding, will take approximately four to six weeks.

What are the loan terms and costs associated with securing a loan?

There are NO upfront, application or closing fees. A 2% loan origination fee will be deducted from loan proceeds ONLY if your application is successfully funded. There will be other minor filing, recording, wire transfer, etc., expenses reimbursed at cost from funding proceeds as well, which will be disclosed in your loan commitment letter but you will NOT have to bring any funds to the loan closing.

XXcelerate Loan Program loans are fully amortizing FIVE year term loans with a fixed interest rate of 10.00%.

Applicant Information

Company Name	DBA / Trade Name	Tax ID #
Primary Phone #	Website	Email
Street Address:		Unit or Suite #
City	Zip	County
Mailing Address (if different)		Unit or Suite #
Mailing City	Mailing State	Mailing Zip
Date Founded?	Legal Structure of Business?	Date Incorporated?
State Incorporated?	Financial Year End?	Is this business a franchise? ☐ Yes ☐ No
Person Completing this Application	Type of Business	Your DUNS # (if applicable)?
How many full time employees (35 or more hours per week) do you have? How many part time employees (less than 35 hours per week) do you have? What is the average hourly rate you pay your employees now?	How many full time employees do you expect to have in 12 months? How many part time employees do you expect to have in 12 months? What do you expect the average hourly rate will be in 12 months?	How many full time employees do you expect to have in 24 months? How many part time employees do you expect to have in 24 months? What do you expect the average hourly rate will be in 24 months?
Who (or whom) do you currently have a banking relationship with?		
Have you, a family member or close relative owned a small business before? ☐ Me ☐ Parent(s) ☐ Relative		

We focus on lending to under-represented populations. Is your business (check all that apply)?

☐ In Business? and less than 2 years old	☐ Buying an Existing Business?	☐ Woman Owned? 51% or more	☐ Immigrant or Refugee Owned?
☐ Minority Owned? 51% or more	☐ Veteran Owned? 51% or more	☐ Disabled Owned? 51% or more	☐ Young Entrepreneur? born on or after 1980
☐ LGBT Owned? 51% or more	☐ An Exporter? 10% or more sales exported	☐ A Manufacturer or Maker?	☐ Based in a Rural community?

How did you find out about the XXcelerate Loan Program?

☐ Web search	☐ Bank Referral	☐ SBDC Referral	☐ Community Partner
☐ Chamber of Commerce	☐ XXcelerate Graduate	☐ Other (please say)	

Please show us how you will use the loan funds you are requesting AND ALSO how you have used the funds you have already invested or will be investing in your business

	What will the funds you borrow under the XX-celerate Loan Program be used for?	What funds are you newly contributing to this project OR have you already contributed to your business to date?
Start-Up Costs & Expenses = expenses that you incur and things that you buy before launching the business		
Working Capital for the Business = cash you need to operate the company and pay your bills from day to day		
Marketing / Advertising / Web / Internet Costs = cash specifically set aside to help you promote your company to your customers		
Purchase Inventory = cash specifically used to purchase the inventory you sell to your customers		
Pay Accounts Payables = cash specifically used to pay vendors for materials or business supplies		
Refinance Business Credit Cards = pay off credit card bills related to the purchase of business goods or services		
Refinance Existing Business Loans = pay off existing loans related to the purchase of business goods or services		
Purchase Furniture and/or Fixtures = cash specifically used to purchase larger movable items like desks, tables, etc.		
Purchase Machinery and/or Equipment = cash specifically used to purchase items with a specific use like a press or 3D printer		
Purchase a Vehicle/Van/Truck = cash specifically used to purchase a business vehicle of some sort		
Buy an Existing Business = cash specifically used to purchase an existing and operating business		
Buy an Existing Franchise = cash specifically used to purchase a franchised business		
Fix-up a Commercial Space = cash specifically set aside to improve a space your business will rent or own		
Other (please identify):		
TOTALS:	0	0

How, more specifically, will you be using the requested loan funds?

Where have the funds you are investing coming from?

Your requested XXcelerate Loan Program loan must be no greater than 90% of the total of the above two columns. If you are an existing business owner, your balance sheet will show us how much you have already invested in your business. If you are investing additional funding into your business, or if you are not yet in business, or if you don't yet have a balance sheet, please let us know where the funds you are investing are coming from. For example, are the funds coming from cash you have saved personally, from cash accumulated in the business, from friends and/or family, from investors, loans, or other sources? Please explain.

If you are requesting the maximum loan amount of $100,000, why will this be enough for you?

If your business is less than two years old, and you have never owned a business before, what have you done to help prepare to be a small business owner?

For example, in addition to the XXcelerate program, have you taken classes or attended workshops presented by Small Business Development Centers, SCORE or other organizations? Please describe.

Please introduce / describe the management team for your business?

What sort of background do you have and who else is helping you run / manage your business?

Do you have a mentor or trusted advisor not involved in day-to-day operations that you can talk to if you have questions about your business?

Please tell us who your mentor(s) and/or advisor(s) is (are) below.

Why are you in business?

What is the Statement of Purpose for your business AND what problem are you solving?

A "Statement of Purpose" for a small business embodies the core philosophy, goals and values of the founder(s) while highlighting the way in which the business wants to become successful within the framework of the community. It can be a key part of the strategic operation plan for a small business because it encourages owners to think about what problem the business is solving for its customers.

What type of business culture have you created / will be creating for your employees?

How will you be handling your bookkeeping and record-keeping? What accounting system or program will you be using to keep track of income and expenses?

Please ask someone to write a letter of recommendation in support of your loan application.

Why do you need to do this? XXcelerate Loan Program loans are character-based. Most lenders rely on things you can measure like personal credit scores to determine whether or not they will lend to you. More qualitative measures, such as who you are and your local reputation, for example, are often of secondary importance if considered at all by most lenders. This is not the case with Colorado Lending Source. As part of your application for a XXcelerate Loan Program loan, please have at least one person write a character reference letter on your behalf. A character reference letter is a brief assessment of you as a person – your strengths and weaknesses, your attitude and experience and so on – based on the view of someone who knows you reasonably well. It could be a customer, a member of your community, a mentor, an associate, an employee, a former employer, an instructor, someone you volunteer with, a pastor, a small business counselor ... really anyone (other than an immediate family member) who knows you and is prepared to recommend you to us. Please tell us who you have asked to provide a letter of recommendation below.

Why will you be successful with your business?

How will you repay us if you aren't?

Have you applied for financing for this project from another lender? Who? What happened?

How is the business owned?

Please complete the following table for everyone with any ownership interest in your business. (Must total 100%) Demographic information is being collected by Colorado Lending Source solely for the purposes of economic development reporting.

Name	Title	% Ownership	Demographics
			Male ☐ Female ☐ Veteran ☐ Service Disabled ☐ Race:_ Select One Below ▼ Ethnicity_ Select One Below ▼
			Male ☐ Female ☐ Veteran ☐ Service Disabled ☐ Race:_ Select One Below ▼ Ethnicity_ Select One Below ▼
			Male ☐ Female ☐ Veteran ☐ Service Disabled ☐ Race:_ Select One Below ▼ Ethnicity_ Select One Below ▼
			Male ☐ Female ☐ Veteran ☐ Service Disabled ☐ Race:_ Select One Below ▼ Ethnicity_ Select One Below ▼
			Male ☐ Female ☐ Veteran ☐ Service Disabled ☐ Race:_ Select One Below ▼ Ethnicity_ Select One Below ▼
			Male ☐ Female ☐ Veteran ☐ Service Disabled ☐ Race:_ Select One Below ▼ Ethnicity_ Select One Below ▼
			Male ☐ Female ☐ Veteran ☐ Service Disabled ☐ Race:_ Select One Below ▼ Ethnicity_ Select One Below ▼
			Male ☐ Female ☐ Veteran ☐ Service Disabled ☐ Race:_ Select One Below ▼ Ethnicity_ Select One Below ▼
Total Ownership =		0	

Does your small business have any existing loans or obligations?

Please list all current notes, lines of credit, mortgages, credit card, and, any other loans due to any organization or individual. List all current and/or previous federal government debt in the table immediately below.

Lender	Original Amount $	Funded Date	Present Balance	Interest Rate	Maturity Date	Monthly Payment	Collateral
						0	

Have you ever received a loan from a federal government agency?

Please complete the following table if the business or any 20% or more owners of the business have had a loan from a federal government agency before. Please list all loans even if they have been paid off.

Agency	Loan #	Borrower	Original Amount $	Funded Date	Present Balance	Maturity Date	Monthly Payment	Loan Status

What are the credit scores of each person owning 20% or more of the business?

By applying for a XXcelerate Loan Program loan, you are giving Colorado Lending Source permission to run a credit report on all 20% or more owners involved with your loan application. Before completing and submitting this application, it is important to know your personal credit score and what is included on your credit report. Although the XXcelerate Loan Program doesn't require a minimum score before you can apply for a loan, if your score is lower than 600 from any credit reporting agency, we would like to understand why this is the case so please include a separate explanation of anything that has impacted your score and what has happened to correct this since then.

If you haven't reviewed your credit score for a while, visit the Federal Trade Commission website (https://www.consumer.ftc.gov/articles/0155-free-credit-reports) for important information about how to order FREE credit reports and how to fix errors on your reports. Please make sure you know your score and have seen your credit report before applying for a XXcelerate Loan Program loan.

If you have a lower credit score, we also encourage you to contact a locally based nonprofit resource that specializes in assisting individuals and families who want to learn about money management, and participate in coaching to help achieve financial success. Nonprofit agencies can also work with you to help you improve your credit score.

Please list the most recent credit scores for anyone owning more than 20% of the business. Please separately attach an explanation as to why any score is below 600, if that is the case, explaining what impacted that score and what has changed or is changing since then to improve the score.

Name	Title	% Ownership	Credit Score	Date of Credit Score

In addition to completing and returning this application, please provide copies of ALL the applicable documents listed below

- ☐ PERSONAL TAX RETURNS: Full copies of the last TWO personal tax returns for everyone owning 20% or more of any business involved with this loan application -- please sign and date the bottom of the first page of each return.
- ☐ COPIES OF DRIVERS LICENSES or other acceptable government-issued form of identification for anyone owning 20% or more of any of the businesses involved with this loan application.
- ☐ COPIES OF YOUR OPERATING AGREEMENT (if you are an LLC) and/or OTHER ORGANIZATIONAL DOCUMENTS for your existing businesses -- e.g., bylaws, articles, partnership agreements, etc.
- ☐ BUSINESS TAX RETURNS [Only if your business is currently operating]: Full copies of the last THREE (or as many years as you have) returns for all businesses involved with this application -- please sign and date the bottom of the first page of each return.
- ☐ BUSINESS YEAR-END FINANCIAL STATEMENTS [Only if your business is currently operating]: Copy of the last year-end business financial statement (Profit & Loss statement plus a Balance Sheet) for all businesses involved with this loan application -- please sign and date the bottom of the first page of each statement.
- ☐ BUSINESS INTERIM FINANCIAL STATEMENT [Only if your business is currently operating]: Copy of an interim financial statement (dated within 90 days) for all businesses involved with this loan -- please sign and date the bottom of the first page.
- ☐ COST DOCUMENTS: Copies of quotes, estimates, invoices, print-outs, etc., for ALL items costing $4,000 or more that have been included in your loan request. If you are looking for funds to help fix-up a space you will be leasing, please include at least two different construction bids on contractor's letterhead and a (draft) copy of your lease for that space.

☐ COPY OF YOUR BUSINESS PLAN: Your business plan must explain what your company is going to do, how it is going to accomplish its goals, and, most importantly, why the founders and the team they surround themselves with, are the right people to do the job. A typical business plan will include a company overview, information about your products and/or services, the marketing plan, a list of major company milestones, some information about each member of the management team and their role in the company, and, financial details. This financial section must include a cash flow projection for the business, showing month-by-month projected income and expenses for the business for the next 24 months.

☐ COPY OF YOUR MONTHLY CASH FLOW PROJECTIONS FOR THE FIRST TWO YEARS: If your business plan doesn't include a cash flow projection showing month-by-month projected income and expenses for the business for the next 24 months, please make sure you create and submit one separately. There are many template cash flow projections you can find and download for free from the Internet (don't pay for one), and Small Business Development Centers, SCORE and other resources available to help you start and grow your business, can also provide you with sample templates.

Your month-by-month projections are critical to a complete understanding of your business and from a lender's perspective, so are the detailed assumptions that you used to create these projections.

Please ensure that you explain in some detail all your major income and expense numbers and where those numbers came from -- THESE ARE YOUR ASSUMPTIONS and will be one of the first things we will review once you submit your application. Provide documentation as part of your business plan to support anything and everything you can related to your cash flow projections.

☐ COPY OF PERSONAL FINANCIAL STATEMENTS FOR EVERYONE WHO OWNS OR WILL OWN 20% OR MORE OF ANY BUSINESS INVOLVED WITH THIS APPLICATION: A personal financial statement is a list of an individual's assets (things that you own) and liabilities (things that you owe) together with information about your income. Completed statement must be signed and dated. If the assets and liabilities are owned jointly with a spouse or significant other, both parties must sign and date the statement. A personal financial statement is important to a lender because it tells the financial story of who you are in a similar way that a resume tells a prospective employer about who you are as a person. Two blank personal financial statements are included in this loan application. Please let us know if you need more to finalize your application for a XXcelerate Loan Program loan.

☐ COPY OF RESUMES FOR EVERYONE WHO OWNS OR WILL OWN 20% OR MORE OF ANY BUSINESS INVOLVED WITH THIS APPLICATION: This will help us understand the background and history of the key entrepreneurs associated with your business.

☐ EVIDENCE OF INSURANCE: If your business owns any physical assets like inventory, equipment, or the like, you will probably have "personal property" insurance in place so that you are protected in the case of a loss. Please note that if you don't have any insurance currently AND you plan to acquire physical assets with any of the requested XXcelerate Loan Program loan proceeds, we will require as a condition of funding that you provide us with evidence that you have personal property insurance in place listing list Colorado Lending Source. Ltd., as a secured party and loss payee (not a beneficiary!) so that if anything you buy with loan proceeds gets damaged or stolen, insurance can be used to replace those items, allowing your business to continue with minimal disruption.

Required Certifications

As part of your application, we ask you to acknowledge the following by putting your initials next to each true statement:

____ The business applying for this loan is an equal opportunity employer and complies fully with all Oregon and federal laws with regard to discrimination and unfair employment practices. The applicant business does not discriminate against any employee or applicant for employment, nor against any person purchasing the applicants products or services, on the basis of race, creed, color, national origin, sex, marital status, familial status, religious belief, ancestry, mental or physical handicap, or age.

____ At least 51% of the ownership of the business applicant is held by US Citizens or by legal permanent residents.

____ The business applicant maintains workers compensation insurance in accordance with and as required by the State of Oregon.

____ The business applicant and all 20% or more owners of the business and / or any affiliated businesses, have disclosed information relating to any bankruptcies, personal or business.

____ The business applicant business and all 20% or more owners of the business and / or any affiliated businesses, are NOT involved in any existing or pending lawsuits.

____ The business applicant and all 20% or more owners of the applicant business and / or any affiliated businesses are NOT delinquent on any federal obligations, debt or taxes.

____ The business applicant and all 20% or more owners of the applicant business and / or any affiliated businesses are NOT delinquent on any child support requirements.

XXcelerate Loan Program Disclosure Statement

As part of your application for a XXcelerate Loan Program loan, we ask each 20% or more owner to read and acknowledge (at the end) that you have read and understand the following.

1. HOW THE PROGRAM WORKS:

The XXcelerate Loan Program is not intended to compete with nor duplicate financing options available through regular commercial lenders in the state of Oregon. If a small business can secure the affordable financing from a commercial lender using a conventional loan or a government-enhanced loan, the small business should do so.

The XXcelerate Loan Program is intended to assist small businesses who are otherwise unable to secure needed financing to assist with the startup, growth, development or expansion of their small businesses from conventional sources. To be considered for the XXcelerate Loan Program, a small business applicant must nevertheless be both eligible and credit-worthy.

2. GENERAL ELIGIBILITY:

Applicants must meet certain eligibility requirements. These requirements are designed to be as broad as possible so the program can accommodate a diverse variety of small business financing needs. To be eligible for consideration, an applicant must:

- Be referred to the program by XXcelerate.
- Be "small" where this is defined as having 100 employees or fewer.
- Plan to use proceeds for an approved purpose. XXcelerate Loan Program proceeds may generally be used for most good business purposes including the creation, expansion, operation or purchase of a small business.
- Not have funds available from other sources. XXcelerate does not extend financial assistance to businesses when the financial strength of the individual owners or the company itself is sufficient to provide all of the requested financing.
- Evidence the ability to repay the loan on time from the projected or historical operating cash flow of the business.
- Evidence good character.
- Evidence management expertise and commitment necessary for success.
- Provide a feasible business plan, cash flow projections and assumptions related to the future operation of the business.

3. ELIGIBLE BUSINESSES:

The vast majority of businesses are eligible for financial assistance under the XXcelerate Loan Program. In addition to the above general requirements a businesses must have reasonable ownership equity to invest or "at risk" in the project; and, have used alternative financial resources, including personal assets, before seeking financial assistance.

Special considerations apply to some types of businesses and individuals, as follows:

- Recreational facilities and clubs are eligible providing (a) the facilities are open to the general public & (b) in membership-only situations, membership is not selectively denied to any particular group of individuals and the number of memberships is not restricted as a whole or by establishing maximum limits for particular groups.
- Loans involving a change in ownership are eligible providing the business benefits from the change. In most cases this benefit should be promoting the sound development of the business or preserving its existence. Loans cannot be made when proceeds would enable a borrower to purchase (a) part of a business in which it has no present interest or (b) part of an interest of a present and continuing owner.
- Firms must be 51% owned by a US citizen(s) or legal permanent resident(s).
- Applications will not be accepted from firms where a principal is currently incarcerated, on parole, on probation, or, is a defendant in a criminal proceeding.

4. INELIGIBLE BUSINESSES:

Ineligible businesses include those engaged in illegal activities, loan packaging, speculation, multi-sales distribution, gambling, investment or lending or where the owner is on parole. Other specific types of businesses ineligible to receive XXcelerate Loan Program loans include:

- Firms involved in speculative activities that develop profits from fluctuations in price rather than through the normal course of

trade, such as wildcatting for oil or dealing in commodities futures, when not part of the regular activities of the business. This includes dealers of rare coins and stamps;

- Firms involved in lending such as banks, finance companies, factoring firms, leasing entities, insurance companies (not agents), and any others whose stock in trade is money;
- Businesses principally engaged in teaching, instructing, counseling or indoctrinating religion or religious beliefs, whether in a religious or secular setting;
- Businesses which present live performances of a prurient sexual nature; or, derive directly or indirectly more than de minimis gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature;
- Pyramid sales plans, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants;
- Firms involved in illegal activities that are against the law in the jurisdiction where the business is located. Included in these activities are the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as operating a motel that permits illegal prostitution;
- Gambling activities, including any business whose principal activity is gambling. While this precludes loans to racetracks, casinos, and similar enterprises, the rule does not restrict loans to otherwise eligible businesses which obtain less than one-third of their annual gross income from the sale of official state lottery tickets under a state license;
- Charitable or religious organizations without revenue from sales or fees to repay the loan;
- Businesses that have previously defaulted on a federal loan or federally assisted financing, resulting in the government or any of its agencies or departments sustaining a loss in any of its programs, and businesses owned or controlled by an applicant or any of its associates which previously owned, operated, or controlled a business which defaulted on a federal loan (or guaranteed a loan which was defaulted) and caused the federal government or any of its agencies or departments to sustain a loss in any of its programs;
- Businesses primarily engaged in political or lobbying activities; and,
- Any project that is in violation of either federal, state or local environmental protection laws or regulations.

5. ELIGIBLE USES OF PROCEEDS:

XXcelerate Loan Program proceeds may be used to establish a new business or to assist in the operation, acquisition or expansion of an existing business. Eligible uses of proceeds include (this is a non-exclusive list):

- Purchase of land & buildings / new construction / the expansion or conversion of existing facilities;
- Purchase of equipment, machinery, furniture, fixtures, supplies, or materials;
- Long-term working capital, including the payment of accounts payable and/or for the purchase of inventory;
- Refinancing existing business indebtedness that has unreasonable terms and conditions;
- Short-term working capital needs, including seasonal financing, contract performance, construction financing, export production, and for financing against existing inventory and receivable under special conditions; and/or,
- Purchasing an existing business.

6. INELIGIBLE USES OF PROCEEDS:

There are certain restrictions on XXcelerate Loan Program loans which mean that these sort of loans may not be used:

- To refinance existing debt where a current lender is in a position to sustain a loss and XXcelerate would take over that loss through refinancing that existing loan;
- To effect a partial change of business ownership where a person will retain a portion of ownership in the business, or where such a change that will not benefit the business;
- To repay delinquent state or federal taxes;
- For an illegal activity; and,
- For a non-sound business purpose.

7. TERMS AND CONDITIONS:

In general, the following provisions apply to all XXcelerate Loan Program loans.

Loan Amounts: XXcelerate Loan Program loans have a minimum amount of $5,000 and a usual maximum loan amount of $100,000.

Equity Contributions: Regulations associated with the program may limit XXcelerate Loan Program financing to a maximum of 90% of the project cost. For example, if a small business needs to purchase a $40,000 machine, the maximum XXcelerate Loan Program loan would be $36,000 or 90% of the purchase price for an existing business (one two years or older) and $34,000 or 85% if your business is less than two years old. The small business borrower would need to contribute the balance themselves. If the XXcelerate Loan Program loan is being used to provide "gap financing" behind an existing loan from a commercial lender, the combination of that loan plus the XXcelerate Loan Program may not exceed 90% of the project cost.

Maturity Terms: The XXcelerate Loan Program is generally intended to encourage longer-term, fully-amortizing, fixed-rate small business financing. Loan terms are typically five years.

Interest Rates: Interest rates will be fixed for the life of the loan and will be priced at 10.00%.

Fees: A one-time loan origination fee of 2.00% of the requested loan amount will be charged to each successful applicant. This fee is ONLY payable at closing / funding and will ONLY be collected from loan proceeds advanced at the time of funding. In addition, normal out-of-pocket costs such as any applicable recording fees, wire fees, etc., will be charged to the borrower on a cost-recovery basis.

Prepayment Penalties: There are NO prepayment penalties and XXcelerate Loan Program loans may be prepaid in part or full at any time without penalty.

DUNS Number: Each recipient of a XXcelerate Loan Program loan must provide a Data Universal Number System (D-U-N-S) Number, which is a unique nine-digit identification number provided free of charge (do NOT pay for one!) by Dun & Bradstreet. Instructions on how to apply for your D-U-N-S can be found at: https://www.sba.gov/content/getting-d-u-n-s-number

8. "DO-IT-YOURSELF" CONSTRUCTION:

Situations where the borrower is also the project contractor have generally proved to be an unsatisfactory arrangement on XXcelerate Loan Program loans. However, "do-it-yourself" construction and/or the installation of machinery and equipment, or situations where the borrower acts as its own contractor, may be permitted as long as it is possible to justify and document the following:

- The borrower / contractor is experienced in the type of construction and has all appropriate licenses;
- The cost is the same as, or less than, what an unaffiliated contractor would charge, as evidenced by two independent bids on the work; and,
- The borrower / contractor will not earn a profit on the construction.

9. PERSONAL / CORPORATE GUARANTEES:

Unlimited personal guarantees are required from EVERY person or entity owning 20% or more of an application for XXcelerate Loan Program loan. Unless the borrower is employee-owed or a cooperative AND no one individual owner owns more than 20% of the business, a personal guarantor is required on EVERY XXcelerate Loan Program loan even if no one individual owns more than 20%.

10. PRIOR BANKRUPTCIES:

Full disclosure of prior bankruptcies is required.

11. PRIOR CRIMINAL OFFENSES / ARRESTS:

A prior criminal arrest or conviction will not necessarily disqualify an individual from receiving financing under the XXcelerate Loan Program. However, full disclosure is required.

12. CHILD SUPPORT COMPLIANCE:

No principal who owns at least 50% of the ownership or voting interest in a company applying for financing under the XXcelerate Loan Program, may be delinquent more than 60 days under the terms of any (1) administrative order, (2) court order, or (3) repayment agreement that requires payment of child support. A certification of compliance will be required before any funds will be disbursed under the XXcelerate Loan Program.

13. SITE VISITS:

Site visits will be performed, from time to time, on the small businesses who receive XXcelerate Loan Program loans.

14. SMALL BUSINESS SUPPORT:

A small business who receives a XXcelerate Loan Program loan is expected to meet with a business counselor or advisor on at least an annual basis.

What We Will Ask of You as an XXcelerate Loan Program Borrower?

XXcelerate is eager to see you and your business succeed. In order to make that happen, we hope to build a collaborative, open, and, transparent relationship with you. Here are some of our hopes for you and your business.

Please initial next to each statement to acknowledge that you have read it and agree with it:

_____ You will become more confident and competent as a business owner throughout the life of your loan. That means taking full advantage of the expertise at XXcelerate, Colorado Lending Source and through your interactions with your small business mentor(s) from any sources or organizations. Never be afraid to ask questions!

_____ We will operate under the assumption that you are always being transparent with us. As a lender, we would like more information about how things are going than the opposite. As noted throughout this application, please be diligent in providing receipts, invoices, work orders, or any other documents associated with things costing more than $4,000 that you have used funds from your XXcelerate Loan Program loan to acquire.

_____ We would like to reemphasize the nature of this loan program – it is character-based which means that we are making a loan to your business because we feel that you (and your team) are of good character. This means XXcelerate wants to hear about the positive developments occurring around your business – how is your business positively affecting your community? Have you been able to add employees? Did the local newspaper publish a story about your business? Did you sponsor a local

event? As a community development organization, we at XXcelerate in partnership with Colorado Lending Source are hoping we can help build a nationwide network of successful, small business borrowers!

_____ Our teams at XXcelerate and Colorado Lending Source may need to contact you periodically as a requirement of regulations we are required to comply with. Please make it easy for us to do so by keeping all of your most recent contact information updated with our office.

General XXcelerate Loan Program Considerations

15. EQUAL CREDIT OPPORTUNITY:

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract), handicap, because all or 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.

16. IDENTIFICATION PROCEDURES:

To help the government fight the funding of terrorism and money laundering activities, federal law requires XXcelerate and Colorado Lending Source to obtain, verify, and record information that identifies each person who applies for a loan. This means that you will be required to provide your legal name, address, date of birth, and other information, including a copy of a driver's license or other identifying document.

17. INDEMNIFICATION PROVISIONS:

Applicant(s) will indemnify and hold XXcelerate, Colorado Lending Source and / or its agents harmless from any and all loss or injury, including reasonable attorney fees, resulting or arising from failure by the applicant to receive such loan, and / or any loss or liability to applicants or the business of the applicant. All parties agree that there are no other promises, terms, or agreements (oral or written) between XXcelerate. Colorado Lending Source and the applicant small business, and that the XXcelerate Loan Program rules and fees are subject to change at any time.

18. FINANCIAL PRIVACY:

XXcelerate and Colorado Lending Source commits to protecting any and all personal information provided in conjunction with a loan application, and also commits to collect and disclose this information only as allowed by law.

The undersigned, as the authorized representative of this application for a XXcelerate Loan Program loan, acknowledges that he / she understands the provisions described within this Disclosure Statement as they apply to an application for consideration under the XXcelerate Loan Program.

Signed: _____

Name: _____

Title: _____

Date: _____

Company: _____

PERSONAL CREDIT INQUIRY RELEASE(S)

Please have each individual owning 20% or more of any applicant business complete a personal credit inquiry release form. Two blank forms are included in this application package. Additional forms are available on request.

Each 20% or More Owner Must READ, COMPLETE, SIGN and DATE this Personal Credit Inquiry Release (as required by credit agency policy)

19a. PERSONAL CREDIT INQUIRY RELEASE:

In conjunction with my application for an XXcelerate Loan Program loan, I understand that an investigative inquiry is to be made including but not limited to my consumer credit history. I understand that the information and reports delivered will include personal credit history information. I further understand that for purposes of this inquiry, various sources may be contacted to provide information including but not limited to various Federal, state, municipal, corporate, private and other agencies that may maintain records concerning current and past activities related to my personal credit performance. I hereby authorize without reservation any company, agency, party, or other sources contacted furnish the above information as requested. I do hereby release, discharge and indemnify the prospective creditor, its agents and associates to the full extent permitted by law from any claims, damages, losses, liabilities, costs and expenses arising from the retrieving and reporting of the requested information.

I am willing to acknowledge that a photocopy of this authorization be accepted with the same authority as the original and that this signed release will EXPIRE ONE (1) YEAR after the date of origination.

BUSINESS NAME: _____

(20% + Owner #1) **FULL LEGAL NAME**			**Social Security #**	
Current Street Address / City / State / Zip			**Date of Birth / Place of Birth**	
Prior Address / City / State / Zip (if < 10 yr)			**Drivers License # / State of Issue**	
Are you a US Citizen?	☐ Yes ☐ No	**If "no" are you a Lawful Permanent Resident (LPR)?**	☐ Yes ☐ No	**LPR #:**
Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction? ☐ Yes ☐ No				
Have you been arrested in the past six months for any criminal offense? ☐ Yes ☐ No				
For any criminal offense, other than a minor vehicle violation, have you ever (1) been convicted; (2) pleaded guilty; (3) pleaded nolo contendere; (4) been placed on pretrial diversion; or, (5) been placed on any form or parole or probation, including probation before judgment? ☐ Yes ☐ No				
Please SIGN and DATE	_____		**Date**	_____

Each 20% or More Owner Must READ, COMPLETE, SIGN and DATE this Personal Credit Inquiry Release (as required by credit agency policy)

19b. PERSONAL CREDIT INQUIRY RELEASE:

In conjunction with my application for an XXcelerate Loan Program loan, I understand that an investigative inquiry is to be made including but not limited to my consumer credit history. I understand that the information and reports delivered will include personal credit history information. I further understand that for purposes of this inquiry, various sources may be contacted to provide information including but not limited to various Federal, state, municipal, corporate, private and other agencies that may maintain records concerning current and past activities related to my personal credit performance. I hereby authorize without reservation any company, agency, party, or other sources contacted furnish the above information as requested. I do hereby release, discharge and indemnify the prospective creditor, its agents and associates to the full extent permitted by law from any claims, damages, losses, liabilities, costs and expenses arising from the retrieving and reporting of the requested information.

I am willing to acknowledge that a photocopy of this authorization be accepted with the same authority as the original and that this signed release will EXPIRE ONE (1) YEAR after the date of origination.

BUSINESS NAME: _____

(20% + Owner #2) **FULL LEGAL NAME**			**Social Security #**	
Current Street Address / City / State / Zip			**Date of Birth / Place of Birth**	
Prior Address / City / State / Zip (if < 10 yr)			**Drivers License # / State of Issue**	
Are you a US Citizen?	☐ Yes ☐ No	**If "no" are you a Lawful Permanent Resident (LPR)?**	☐ Yes ☐ No	**LPR #:**
Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction? ☐ Yes ☐ No				
Have you been arrested in the past six months for any criminal offense? ☐ Yes ☐ No				
For any criminal offense, other than a minor vehicle violation, have you ever (1) been convicted; (2) pleaded guilty; (3) pleaded nolo contendere; (4) been placed on pretrial diversion; or, (5) been placed on any form or parole or probation, including probation before judgment? ☐ Yes ☐ No				
Please SIGN and DATE	_____		**Date**	_____

PERSONAL FINANCIAL STATEMENT(S)

Please have each individual owning 20% or more of any applicant business complete a personal financial statement. Two blank forms are included in this application package. Additional forms are available on request.

Joint personal financial statements must be signed by BOTH parties.

Personal Financial Statement (for applicant #01)

AS OF (please date): _____

PRIMARY NAME		OTHER NAME (if you own your assets jointly with anyone)	
Name:		Name	
Address:		Address:	
City, State & Zip:		City, State & Zip:	
Occupation:		Occupation:	
Business Name:		Business Name:	
Business Address:		Business Address:	
City, State & Zip:		City, State & Zip:	
Phone:		Phone:	
Email:		Email:	

THINGS YOU OWN (= Assets)	In Dollars (omit cents)	**THINGS YOU OWE (= Liabilities)**	In Dollars (omit cents)
Cash on Hand and in Banks		Credit Card Balances	
Marketable Securities - list in Table A		Other Bills Outstanding	
Value of Real Estate Owned - list in Table B		Unpaid Taxes & Interest	
Value of Vehicles Owned		Real Estate Loan Balance -- list in Table B	
Value of Other Personal Property Owned		Outstanding Loan Balances (Autos) - list in Table C	
Other Assets: _____		Outstanding Loan Balances (Other) - list in Table C	
Other Assets: _____		Outstanding Student Loans - list in Table C	
Other Assets: _____		TOTAL LIABILITIES	0
TOTAL ASSETS	0	NET WORTH (= Total Assets - Total Liabilities)	

YOUR INCOME (for the most recent year)	In Dollars (omit cents)		Yes or No (please check one)
Wage + Salary + Commissions + Bonuses		Are there any judgments, legal claims or lawsuits pending?	No ☐ Yes ☐
Dividends + Real Estate Income		Are there any State or Federal taxes delinquent / disputed?	No ☐ Yes ☐
Other Income (alimony, child support, etc.)		Are you obligated to pay alimony, child support, etc.?	No ☐ Yes ☐
TOTAL INCOME	0	Have you had any bankruptcies or judgments?	No ☐ Yes ☐

Table A: GOVERNMENT and/or MARKETABLE SECURITIES (please list)

Number of share or face value of bonds	Description	In name of	Are these pledged?	Market value in dollars (omit cents)

Table B: REAL ESTATE OWNED (please list)

Address	Type of Property	Owned by	Date Acquired	Original Cost	Market Value	Monthly Payment	Mortgage Balance in dollars

Table C: OTHER LOANS DUE and/or OUTSTANDING (please list)

Lender	Credit in the name of	Secured or Unsecured?	Date Received	Original Amount	Current Balance	Monthly Payment

Signature: _____
Print Name:
Date: _____

Signature: _____
Print Name:
Date: _____

Personal Financial Statement (for applicant #02)

AS OF (please date): _____

PRIMARY NAME		OTHER NAME (if you own your assets jointly with anyone)	
Name:		Name	
Address:		Address:	
City, State & Zip:		City, State & Zip:	
Occupation:		Occupation:	
Business Name:		Business Name:	
Business Address:		Business Address:	
City, State & Zip:		City, State & Zip:	
Phone:		Phone:	
Email:		Email:	

THINGS YOU OWN (= Assets)	In Dollars (omit cents)	**THINGS YOU OWE (= Liabilities)**	In Dollars (omit cents)
Cash on Hand and in Banks		Credit Card Balances	
Marketable Securities - list in Table A		Other Bills Outstanding	
Value of Real Estate Owned - list in Table B		Unpaid Taxes & Interest	
Value of Vehicles Owned		Real Estate Loan Balance -- list in Table B	
Value of Other Personal Property Owned		Outstanding Loan Balances (Autos) - list in Table C	
Other Assets: _____		Outstanding Loan Balances (Other) - list in Table C	
Other Assets: _____		Outstanding Student Loans - list in Table C	
Other Assets: _____		TOTAL LIABILITIES	0
TOTAL ASSETS	0	NET WORTH (= Total Assets - Total Liabilities)	

YOUR INCOME (for the most recent year)	In Dollars (omit cents)		Yes or No (please check one)
Wage + Salary + Commissions + Bonuses		Are there any judgments, legal claims or lawsuits pending?	No ☐ Yes ☐
Dividends + Real Estate Income		Are there any State or Federal taxes delinquent / disputed?	No ☐ Yes ☐
Other Income (alimony, child support, etc.)		Are you obligated to pay alimony, child support, etc.?	No ☐ Yes ☐
TOTAL INCOME	0	Have you had any bankruptcies or judgments?	No ☐ Yes ☐

Table A: GOVERNMENT and/or MARKETABLE SECURITIES (please list)

Number of share or face value of bonds	Description	In name of	Are these pledged?	Market value in dollars (omit cents)

Table B: REAL ESTATE OWNED (please list)

Address	Type of Property	Owned by	Date Acquired	Original Cost	Market Value	Monthly Payment	Mortgage Balance in dollars

Table C: OTHER LOANS DUE and/or OUTSTANDING (please list)

Lender	Credit in the name of	Secured or Unsecured?	Date Received	Original Amount	Current Balance	Monthly Payment

Signature: _____ Signature: _____

Print Name: Print Name:

Date: _____ Date: _____

Colorado Lending Source, Ltd.
1441 18th Street, Suite 100, Denver CO 80202
303-657-0010

www.ColoradoLendingSource.org

info@coloradolendingsource.org

"Remarkably different business lending"

Loan application updated on 01/28/2020

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