



# Cascadia Revolving Fund

## **LOAN APPLICATION INFORMATION**

Thank you for your interest in becoming a Cascadia borrower. Cascadia Revolving Fund is a nonprofit community development loan fund that has been lending money since 1985 to small businesses and nonprofit agencies that are unable to access traditional sources of financing, such as a bank. Cascadia lends to many different types of business in Washington and Oregon, including, but not limited to, the following:

- Woman-owned business
- Minority-owned businesses
- Businesses owned by low-income individuals
- Business located in economically distressed communities
- Childcare homes and centers
- Worker-owned business and co-operatives
- Businesses that preserve or restore the environment
- Community-based non-profit organizations

Loan proposals submitted to Cascadia are evaluated based on many of the same criteria that most institutional lenders assess, including management capacity, credit history, historical financial performance and projections, market factors, collateral and owner-contribution. Nonetheless, as a privately funded non-profit, Cascadia has some flexibility to decide whether the strengths of a business proposal mitigate the inherent weaknesses that are keeping it from bank financing.

The money that we lend comes primarily from private investors. We pool these funds and re-lend them to small businesses in order to provide a community benefit. There is no minimum loan amount and we can lend up to \$500,000 to any one borrower. Our loans have a fixed interest rate, are short term - usually ranging from one to five years, and require collateral. Rates vary from 12-15% per year, depending on the risk associated with a particular loan. In addition, a 2% loan fee is charged for all approved loans. Cascadia does not charge an application fee.

To apply for a loan from Cascadia, please give one of our loan officers a call to discuss your business proposal or send in the information listed on the back of this sheet. Based on the information you provide, the Loan Officer can determine if your request meets Cascadia's lending criteria or community benefit goals. Upon receipt of a complete package, a loan officer will call you to discuss your business in more detail. A subsequent visit to your business will then be scheduled. Assuming the loan proposal package is complete, a decision on your proposal by Cascadia's Board of Directors can be expected within 2-3 weeks after the visit by the loan officer. Given that it can take to 4-6 weeks for the entire application process to be completed, it is difficult for us to respond to emergency loan requests.

We look forward to receiving your application!

**PLEASE NOTE: ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW. (RCW CHAPTER 19.36)**

**UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY LENDERS AFTER OCTOBER 3, 1989 CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY THE LENDER TO BE ENFORCEABLE.**

## LOAN APPLICATION INFORMATION

<b>Business Name:</b>		<b>Tax ID Number:</b>	
<b>Business Address:</b>		<b>Business Tel.:</b>	
		<b>Business Fax:</b>	
<b>Nature of Business:</b>		<b>Legal Structure:</b>	
<b>Applicant/Guarantor:</b>		<b>Title:</b>	
<b>Applicant Address:</b>		<b>Telephone:</b>	

### **APPLICATION CHECKLIST: (items required to complete loan application)**

- \_\_\_ 1. **Summary of Financing Needs:** How much money do you need? How will borrowed money be used? Please list purpose(s) and corresponding dollar amount(s).
- \_\_\_ 2. **Business Financial Statements:** If available, provide balance sheets and income statements for the last 3 years. Additionally, provide the most current interim statements.
- \_\_\_ 3. **Business Tax Returns:** If available, provide full returns (with schedules) for the last 3 years. For new businesses, please submit a complete Business Plan. This business plans should include, at a minimum, the information requested on our Business Plan Outline Sheet.
- \_\_\_ 4. **Projected Cash Flow Statement:** Provide a month-by-month projection for the next 12 months. Provide a complete description of any key assumptions that influence financial projections, including any cash contributions to the project besides Cascadia's.
- \_\_\_ 5. **Collateral:** Describe the collateral available to secure the loan, *including dollar values and how valuations were determined*. Both business and personal assets can be used to secure the loan.
- \_\_\_ 6. **Personal Tax Returns:** Last 3 years for all owners (full returns with schedules).
- \_\_\_ 7. **Personal Financial Statements:** Owners (& Guarantors, if applicable), must complete and sign.
- \_\_\_ 8. **Resumes** or description of management experience and expertise: For owners and for any key persons responsible for business operations.
- \_\_\_ 9. Please send copies of signed contracts (and/or agreements) if applicable.

**In Washington  
send information to:**  
Cascadia Revolving Fund  
1901 NW Market St.  
Seattle, WA 98107  
Phone: (206) 447-9226  
Fax: (206) 682-4804

**In Oregon  
send information to:**  
Cascadia Revolving Fund  
2069 NE Hoyt St.  
Portland, OR 97232  
Phone: (503) 235-9635  
Fax: (503) 235-1233

**In Central Oregon\*  
send information to:**  
Cascadia Revolving Fund  
PO Box 6976  
Bend, OR 97708  
Phone: (541) 318-1120  
Fax: (541) 318-1217

\*Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake, Sherman, Wasco or Wheeler County

Please note: Upon receipt of your application package, we will contact you if additional information is needed.



# Cascadia Revolving Fund

## Business Plan Outline

- I. **Plan Summary: highlight the important parts of your plan in one or two paragraphs.**
- II. **Company Overview: describe the nature of your business**
  - A. What is the purpose of your business?
  - B. What product or service do you sell?
  - C. What are your short and long-term goals for your business?
  - D. What is the legal structure of your business (sole proprietor, partnership, corporation)?
  - E. Who are the owners and key managers? Describe their experience and qualifications.
- III. **Business environment**
  - A. Who are your customers? Where are they located?
  - B. How much demand is there for your product or service? Is this market growing, shrinking, or stable? How do you know?
  - C. Discuss the competition.
    1. Who are your competitors?
    2. Is the competition growing or shrinking? Why?
    3. Have any competitors failed recently? Why?
    4. What makes your business different from your competitors?
    5. What are your competitors' strengths and weaknesses?
  - D. What are the opportunities and threats in the marketplace for your business?
- IV. **Business operations: how does your business work?**
  - A. Describe how your business is organized.
    1. Who are the managers?
    2. How many employees?
    3. What are their specific jobs?
    4. How much do you pay your employees? How do you determine this? Do you provide other benefits to employees?
  - B. Where is your business located? How does this help (or hurt) your business?
  - C. Do you rent, lease or own your business location?
    1. How much do you pay per month?
    2. What is the length of your rental or lease agreement?
    3. What would happen if you had to move your business?
  - D. What specialized needs does your business have?
    1. Do you use special equipment or technology?
    2. Is your business regulated by any government agency?
    3. Does your business operation require permits or special zoning?
  - E. How do you price your product or service? How much flexibility do you have to change your prices?
  - F. How do you market your business and sell your product?
  - G. Do you extend sales terms to your customers? What are they?

- H. Who are your suppliers?
  - 1. What sales terms do your suppliers extend to you?
  - 2. Are there alternative suppliers?
- I. Describe the financial management of your company.
  - 1. Do you use a manual or computerized accounting system?
  - 2. Who is in charge of this?
  - 3. What areas need improvement?
- J. What are the strengths and weaknesses of your business operation?

**V. Financial review**

- A. Provide business income tax returns for the last 3 years.
- B. Provide business financial statements for the last 3 years and the most recent year-to-date period.
  - 1. Income statement.
  - 2. Balance sheet.
- C. Prepare a financial projection, month-by-month for the next year.
  - 1. Income Statement.
  - 2. Cash Flow Statement.
  - 3. Balance Sheet for the end of the one-year period.
  - 4. Describe the assumptions you used to prepare these projections.

**VI. Financing plan**

- A. How much money do you need?
- B. Where will the money come from? What repayment terms do you anticipate?
- C. What will you use the money for?
- D. How will you pay back your loans?

**VII. Risks: describe the risks facing your company**

This outline may include items that are not pertinent to your business. More importantly, there may be information you should provide about your business that is not covered by this outline. Using this outline as a guide, please tell us all the facts about your business that you think are important. Resist the temptation to “sell” us on your business. Instead, use the facts to convince us of the viability of your plan and your business operation.

For free assistance in developing a business plan, you can contact the nearest U.S. Small Business Administration office and/or the Small Business Development Center in your county. A Cascadia Loan Officer can provide the appropriate contact information upon request.