

STRATEGIES FOR SMALL BUSINESS

Telephone: (925) 899-8449
Facsimile: (925) 886-8778

440 Diablo Road, Suite 137
Danville, CA 94526

E-Mail: smalone165@aol.com

APPLY ONLINE INSTRUCTIONS

Greetings: Thank you for participating in the SBA Community Express Loan Program. To receive an initial tentative answer, please follow these procedures:

Step 1. Go online to: <http://www.superiorfg.com/success>. This is a secure and encrypted program. We do not "shop loans"; you are applying direct to a single SBA preferred lender (so there are not multiple hits on your credit report).

Step 2. Fill out the online application. Most of it is self-explanatory. Here are some of the tricky parts:

Length of Time in Business: When you made your first dollar, whether full-time or part-time. This can be before you incorporated or received your business license.

Example: Francine has been operating her consulting business part-time as a sole proprietor for 10 years. She then incorporated and has been operating for another five years. Total time in business: 10 years (not 5).

Include all time as an independent contractor in the same type of business (using a 1099). Example: John worked as a sales agent for ABC Company for ten years as an independent contractor. He then went out on his own and opened his own business. That ten years counts as "time in business".

There are no breaks in service. Example: Mary ran a successful restaurant for 10 years, but then had a break for five years to raise her family. She then returned to another restaurant and has been in business now for 5 years. Total time in business: 15 years (not 5).

Include periods in which a business may have changed its name or location: Example: Frank operated a dry cleaning business under the name of "Purity Clean" for 5 years on Elm Street. He then got a better deal with another landlord and moved across town changing it to "Surety Clean" and has been doing so for 5 years. Total time in business: 10 years (not 5).

Average monthly sales: Under the theory you have the right to expect more income in the future, this is the best gross monthly, before expenses and taxes, for the last 6 months.

Industry experience: The experience in the same general industry as your current business. Includes years working for someone else and years owning the business. For example, if you worked for someone else for 5 years and have been in business for 10 years, the total industry experience would be 15. Add together the experience of all persons having a 20% or more interest in the business (for example, 50% owner #1 has 10 years and 50% owner #2 has 15 years--total is 25 years).

Industry experience is broadly defined. Example: Tom worked as a customer service/sales representative for a cell phone company for five years. He was at the counter daily and dealt continuously with retail customers. He has now opened a retail wine shop and also deals directly with customers. He can use those 5 years.

Include the experience of all management level employees. Assume Joe is the 100% owner and has 10 years experience. His manager also has 10 years of experience. The total experience is 20 Years. In the blank space at the bottom of the page put in: "Includes manager's experience of 10 years."

Include experience with family owned businesses or working with little or no compensation. Example: Sam work from age 18 to 21 in his father's lumberyard. After getting out the army, he opened up his own lumber supply company has been doing so for 10 years. Total industry experience: 13 years.

Include work for no compensation. Example: Susan worked for five years with her aunt's interior design business without compensation. Count this time.

Rent or Own: This is your residence. The total time you have been a homeowner or renter, not just your current residence. For example:

- 1) John has been renting in the same general area with 3 landlords for 5 years each. The total would be 15 years.
- 2) This is Mary's second home. She owned the first for 7 years and her current one for 5 years. The total would be 12 years.
- 3) Elliott has been a homeowner from 1995 to 2000. He has been renting ever since. He can check the "Own" box for five years, even though he is not a current homeowner. At the blank space at the bottom of the page put in: "Homeowner from 1995 to 2000".
- 4) Franklin married Tammy who had a home from a previous marriage. After marriage, even though it was not in Franklin's name, he has been contributing to the mortgage, insurance, taxes, and household expenses for five years now. He can check "Own" for 5 years.

Liquid Assets/Cash in the Bank: The average balance in your business checking account. Do not include personal accounts.

Step 3: Tentative answer. You will get an immediate initial answer. This is tentative and not final. All applications are thereafter reviewed by a “live person”. The next morning, the lender begins its review. In 3-5 days, if approved, they take the initiative and call you (they have the same “925” area code as our company) or email with the good news. If turned down, a letter is mailed.

More Questions: Do not hesitate to call if you have further questions any time during the process. Thanks. Cliff Brooks (925-899-8449).