



Maryland Capital Enterprises, Inc.  
 PO Box 213, Salisbury, MD 21803  
 Office: (410)546-1900 / Fax: (410)546-9718

## **Business Loan Application**

Thank you for your interest in Maryland Capital Enterprises, Inc (MCE). To expedite review of your loan request by the Loan Committee, we ask that you have:

1. Credit Performance – MCE does not make lending decisions based on a specific credit score. However, a **current** and positive credit history of 12 months or longer may be required.
2. Business Synopsis – An executive summary and a statement of purpose for the funds may be all that is necessary. A business plan template is available upon request.
3. Collateral sufficient to support the requested loan will be required. This can be in the form of real estate, vehicles, personal property, and anything else deemed appropriate to be used as collateral. If you plan to provide real estate or other piece of property that is co-owned with a person that is not a listed borrower, they will be asked to pledge the property by signing the new Deed and/or become a guarantor on the loan.
4. Third Party Vendor- List of all vendors receiving direct payment from the loan distribution.
5. Licensed Contractors- All contractors used with loan funds must be licensed.
6. Business Check- A voided business check must be provided for loan approval.

### **Section 1: General Information about the Loans**

#### ***1-1 What loans does Maryland Capital Enterprises, Inc offer?***

Loan Amount	\$5,000 - \$35,000/New Loans \$35,000 - \$100,000/Expansion
Loan Term	Up to 10 years
Interest Rate	5% and up*
Upfront Application Cost	\$115**

\*The interest will be determined by the loan committee using a standard loan matrix based on the thoroughness of the business plan, credit history, collateral, etc.

\*\*\$100 Application Fee and \$15 Credit Report Fee. If more than one applicant then the credit report will be applied for each applicant.

#### ***1-2 Additional fees per loan (upon closing) include:***

- A. 1% Underwriting Fee
- B. A legal reserve fee which is determined by the schedule below.

Loan Amount	Legal Reserve Fee
\$5000 - \$15,000	\$250
\$15,001 - \$35,000	\$350
\$35,001 - \$50,000	\$500
\$50,001 and above	\$1,000

There will be other legal or government fees associated with settling each loan. A detailed description of the types of fees and amounts will be provided for you with an approval letter.

**1-3 What can I use my loan for?**

- Machinery and Equipment
- Supplies, Materials, and Inventory
- Truck/Car Purchase
- Furniture and Fixtures
- Working Capital

**1-4 Am I eligible for this loan?**

To be eligible for the financial services of MCE, Borrower(s) and/or Guarantor(s) must agree to **ALL** of following statement(s): "**PLEASE CHECK EACH BOX**"

- Financial business counseling before and after loan closing.
- Periodic staff visits to assess business function and progress.
- Periodic credit checks at MCE's expense.
- Be legally organized as a for-profit entity only.
- Be a micro business with 10 or fewer employees.
- Have tried to receive a loan through a traditional lender or a bank.
- Be located within the 8 counties of MD's Eastern Shore (Caroline, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester) or Baltimore County, Baltimore City, or Anne Arundel County.
- Create full-time, part-time employment for low to moderate income residents.
- Be a U.S. Citizen or legal alien.
- Demonstrate ability to repay loan with documentable income.
- A reasonable credit history and payment track record.

Please initial that you've read and understand the above conditions.

## Section 2: Checklist of Required Paperwork

### **2-1 Checklist**

As part of the loan application, I have enclosed the following:

- Business Plan
- Explanation of How This Loan Will Help Boost Current Sales
- Cash Flow Projections for 2 Years\*
- Profit & Loss Statements for 2 Years (if applicable)
- Business Federal Tax Returns for 2 Years (if applicable)
- Personal Federal Tax Returns for 2 Years
- Explanation of Credit\*\*
- Reference Letters (optional but preferred)

\*Broken down by month via a spreadsheet

\*\*Please explain large debts (other than mortgage or loans), delinquencies, collections, bankruptcies, late payments, judgments, etc.

## Section 3: General Application Information

*In order for your application to be considered, ALL blanks MUST be completed. If not applicable, enter N/A or 0 for numeric values.*

### **3-1 Business Information**

<input type="text"/>	<input type="text"/>
Applicant and/or Business Name	Federal ID #
<input type="text"/>	<input type="text"/>
Business Address	Business Phone
<input type="text"/>	<input type="text"/>
City, State, Zip	Fax Number

Please briefly describe the business:

Business Start Date:

ie., 01/01/2001

What is the structure?\*\*\*

<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership
<input type="checkbox"/> S-Corporation	<input type="checkbox"/> C-Corporation
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Limited Liability Partnership
<input type="checkbox"/> Other	<input type="text"/>

Is the business?\*\*\*

<input type="checkbox"/> Full Time	or	<input type="checkbox"/> Part Time	or	<input type="checkbox"/> Seasonal
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**3-2 Requested Loan Specifics**

Amount Requested

REPAYMENT Term Requested

Please list in detail exactly what you need the above loan amount for (attach quotes for items).

Amount:	What it will be used for:	Amount:	What it will be used for:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**3-3 Management – Owner and Key Employees**

Anyone with ownership interests will be required to be either a co-borrower or guarantor of the loan, (at the discretion of Loan Committee.) Total Number of Partners/Principals:  (if more than 1, please attach a sheet with the remaining partners/principals). A personal application supplement must be filled out by all partners/principals listed below.

<input type="text"/>	<input type="text"/>	<input type="text"/>
Name	Title	Percent of Ownership

Address, City, State, Zip

**3-4 Collateral**

Collateral is usually required for all MCE loans. The amount of collateral and type of collateral may vary with each loan request and will be finally determined by Loan Committee. If real estate is proposed as collateral, MCE will only accept first and second lien positions. List all proposed and/or available collateral below including real estate to be pledged, vehicles personal property etc. (if more than 1, please attach an additional sheet with the listed collateral).

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Collateral	Value	Amount Owed	Monthly Payment

Lien Holders

<input type="text"/>	<input type="text"/>
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Owner's Name (if not owned by the company)

Relation of Owner to the Company (if not owned by the company)

**3-5 Miscellaneous Questions**

YES or NO (MUST SELECT ONE)

- 1. Is the business or any of the top management personnel an endorser, guarantor, or co-signer for obligations not listed on its/their financial statements? If yes, please disclose these obligations.
- 2. Is the business or any of the top management personnel a party to any claim or lawsuit? If yes, please explain.
- 3. Has the business or any of the top management personnel ever declared bankruptcy either as an individual or as a principle of a legal entity? If yes, please explain in the explanation of credit.
- 4. Does the business or any of the top management personnel owe any taxes for prior or current years? If yes, please explain what taxes and why.
- 5. Have you ever been evicted from a rental residence for non-payment or any other reason? If yes, please explain.
- 6. Have any managers or owners received a felony conviction? If yes, please explain.

**Section 4: Business Financial Information**

**4-1 Business Notes Payable Detailed (Money owed to another party).**

If more than 2, please attach an additional sheet or if you don't have any, just mark N/A.

Name of Noteholder	Address of Noteholder	City, State, & Zip	
Original Balance	Current Balance	Payment Amount	Frequency (Monthly, etc)

How is the note secured or endorsed. Type of collateral.

Name of Noteholder	Address of Noteholder	City, State, & Zip	
Original Balance	Current Balance	Payment Amount	Frequency (Monthly, etc)

How is the note secured or endorsed. Type of collateral.

Name of Noteholder	Address of Noteholder	City, State, & Zip	
Original Balance	Current Balance	Payment Amount	Frequency (Monthly, etc)

How is the note secured or endorsed. Type of collateral.

**4-2 Description of Assets**

Describe any significant assets of the business (including property, securities, etc.).

**4-3 Unpaid Taxes**

Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches. Also if any payment plans were worked out.

**4-4 Description of Liabilities**

Describe in detail any other liabilities, not mentioned elsewhere.

**Section 5: References**

<input type="text"/>	<input type="text"/>
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Name

Company

<input type="text"/>	<input type="text"/>
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Address, City, State, Zip

Phone Number

<input type="text"/>	<input type="text"/>
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Name

Company

<input type="text"/>	<input type="text"/>
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Address, City, State, Zip

Phone Number

<input type="text"/>	<input type="text"/>
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Name

Company

<input type="text"/>	<input type="text"/>
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Address, City, State, Zip

Phone Number

## **Section 6: Legal**

### **6-1 Equal Credit Opportunity Act (15 U.S.C. 1691)**

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided that the applicant has the capacity to enter into a binding contract), 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. The Federal agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

### **6-2 Disclosure and Confidentiality Statement (Please Read Carefully)**

Certain information in the possession of the Loan Committee (LC) must be made available for public inspection after an application for financial assistance is received. This information includes but is not limited to: the names of applicants, financial information including principals, the amounts, types and general terms of financial assistance, description of projects and businesses benefiting from financial assistance, the number of jobs and the amount of tax revenues projected in connection with a project, and the names of financial institutions participating in the project.

Certain records of the LC are designated confidential and will not be available to the public for inspection. This includes the disclosure of records which would constitute an invasion of privacy, such as personal tax returns or financial records obtained by the LC in connection with any monitoring or servicing of an existing project, and any records or information the release of which the LC has determined could cause a business or competitive detriment to the person whom the information belongs or pertains.

If an applicant desires that additional information be kept confidential, the applicant should clearly identify what information or documents he or she wishes to be kept confidential. The applicant must also explain in writing the basis for her or his request that the material be kept confidential. Where the applicant asserts that the basis for the confidentiality is that release of the information could cause a business or competitive disadvantage or loss of a competitive advantage, the applicant must provide the LC with sufficient information to enable the LC to determine independently the likelihood of such detriment. Applicants may wish to consult an attorney regarding any matters related to this application and possible loan agreements. The information contained in this application and attachments are submitted for the purposes of consideration for the MCE Microloan Program.

### **6-3 Agreement**

1. I/We agree to notify you promptly in writing upon any material change in the information provided herein, and further acknowledge that you will continue to regard this statement as true and complete until receipt of such written notification.
2. I/We agree to allow Maryland Capital Enterprises, Inc. to investigate any information disclosed in this application to include but not limited to: my credit records, my credit history, and any other information that relates to, or may be a factor, in assessing my creditworthiness, to make any inquires it deems necessary to determine the existence and extent of any legal or financial obligations for which I am or may become liable, including but not limited to, child support payments, restitution, and tax liabilities that may affect my ability to repay this loan, to investigate the existence and extent of my criminal records, and to make such inquiries as it deems necessary or appropriate to verify the accuracy of the information contained in the application.

### **6-4 Certification**

1. I/We certify all information in this application and the attachments is true and complete to the best of my/our knowledge and is submitted so the Loan Committee can decide whether to grant a loan or participate with the lending institution in a loan to me/us.
2. I/We understand, in the event of default on the loan MCE may report the loan on my personal and business credit.
3. I/We understand our checking/savings account will be automatically debited for the monthly payments at no charge. If I choose not to accept automatic debit the interest rate will be 2% higher than the quoted rate.
4. I/We certify that I/We will comply with Title VI of the Civil Rights Act of 1964, as amended (42 USC 2000d-2000d 4), the requirements imposed by or pursuant to regulations issued for the Department of Commerce and designated as 15 CFR Subtitle A Part 8, and any amendments thereto. I/We agree to comply with the provisions of Section 112 of Public Law 92-65 (42U.S.C. 3123) the requirements imposed by or pursuant to the regulations of the Economic Development Administration promulgated in 13 CFR part 311 (as explained in the April 1979, EDA Civil Rights Guidelines) and any amendments thereto. I/We agree to comply with Sections 504 of the Rehabilitation Act of 1973 (26 USC 794) and 15 CFR Part 8b, Subsections a,b,c and e (Regulations of the Department of Commerce implementing Section 504 of the Rehabilitation Act), and the Age Discrimination Act of 1975 (42 USC 6101). Such requirements hold that no person in the United States shall on the ground of race, color, national origin, sex, handicap, or age be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which Federal financial assistance has been extended.

### Section 7: Acknowledgement

I, , hereby understand that if I am approved for a loan through Maryland Capital Enterprises the following conditions may apply (please check all the boxes):

- The loans provided by Maryland Capital Enterprises are personally guaranteed, making any person guarantying the loan, personally responsible for its full and complete repayment along with any accrued interest, late fees, and/or legal fees.
- If the business is moved outside of the state of Maryland or ceases to operate, the loan may come due immediately, requiring full repayment, or potential loss of pledged collateral.
- The loan committee reserves the right to adjust terms or amounts for your loan request, as it deems necessary.
- As part of the loan agreement, Maryland Capital Enterprises will have **MANDATORY** site visits at least four times a year where business will be reviewed. Current financial statements will need to be submitted at that time.
- Maryland Capital Enterprises reserves the right to review your credit reports during the repayment of the loan.
- Agree to allow MCE to use my name, business name and picture in Maryland Capital Enterprise's public relations effort.

Please initial that you've read and understand the above conditions.

**I authorize MCE to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. MCE reserves the right to pull periodic credit reports during the repayment of the loan. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan. I understand FALSE statements may result in forfeiture of benefits and possible prosecution by the U.S. Attorney General. (Reference 18 U.S.C. 1001).**



**Borrower #1**

<input type="text"/>	<input type="text"/>	<input type="text"/>
Signature	Printed Name	Date
<input type="text"/>	<input type="text"/>	
Social Security	Date of Birth	

**Borrower #2**

<input type="text"/>	<input type="text"/>	<input type="text"/>
Signature	Printed Name	Date
<input type="text"/>	<input type="text"/>	
Social Security	Date of Birth	

**Guarantor #1**

<input type="text"/>	<input type="text"/>	<input type="text"/>
Signature	Printed Name	Date
<input type="text"/>	<input type="text"/>	
Social Security	Date of Birth	

**Guarantor #2**

<input type="text"/>	<input type="text"/>	<input type="text"/>
Signature	Printed Name	Date
<input type="text"/>	<input type="text"/>	
Social Security	Date of Birth	