

Frequently Asked Questions & Preparation Guide

WHAT ARE USI CDFI'S REQUIREMENTS TO QUALIFY FOR A LOAN?

- You must be over the age of 18
- You must have a Social Security Number (SSN) OR an Individual Tax Identification Number (ITIN)
- You want to start or grow a business (We don't offer personal loans.)
- Your business must be located in the U.S.

WHAT TYPES OF BUSINESSES DOES USI CDFI LEND TO?

We lend to businesses with any legal structure: sole proprietors, limited liability companies, corporations, partnerships, and nonprofits. Loans include food and beverage, transportation, retail, manufacturing, design, software, professional services, construction, landscaping, and other service and product industries.

WHAT ARE ACCEPTABLE USES OF LOAN PROCEEDS FROM USI CDFI?

Any business-related expense that helps you start or grow a business, including inventory, equipment purchases, vehicle purchases, payroll and material costs, marketing, buying the assets of an existing business, refinancing debt, and hiring expenses. USI CDFI will allow a portion of proceeds to pay past due bills and other debt.

IS THERE A FEE TO APPLY?

No, there is no fee for applying for a loan with USI CDFI.

WHAT ARE THE FEES AND RATES FOR USI CDFI'S LOAN?

Interest rates for a USI CDFI loan are up to 8%, and fees vary based on loan size.

WHAT ARE THE MINIMUM AND MAXIMUM LOAN AMOUNTS FOR A LOAN?

Our maximum loan amount is \$250,000 for emerging enterprises. Our maximum loan amount is \$500,000 for pre development loans. Transformative projects will be given special consideration.

DOES USI CDFI CHARGE A FEE OR PENALTY IF I PAY MY LOAN OFF EARLY?

No, we don't charge prepayment penalties. Your cost for taking out a loan will include the closing fee and interest accrued until the balance is paid in full. Late and collection fees may be charged if you do not pay as agreed.

WILL APPLYING FOR A LOAN WITH USI CDFI AFFECT MY PERSONAL CREDIT?

No, we can determine how much you qualify for without affecting your credit score.

DO YOU LEND TO START-UP BUSINESSES?

Yes! We lend to businesses that are up and running and aspiring entrepreneurs starting a business. We also verify if the applicant can manage debt.

DO I NEED A SOCIAL SECURITY NUMBER (SSN) TO APPLY?

We can consider applications from applicants with a Social Security Number (SSN) or an Individual Tax Identification Number (ITIN).

WHAT DOCUMENTS SHOULD I HAVE READY TO APPLY FOR A LOAN?

The documents you should have ready depend on the size of the loan and the use of funds for the loan. Below is a checklist of documents you should be prepared to share during the application process. Please note that the documents you must provide will change based on your application, so check with the team!

PERSONAL INFORMATION

- Government Issued Identification
- 1-3 months Personal Bank Statement
- 1-3 years Personal Guarantor Tax Return
- Personal Financial Statement (template provided)
- Resume
- Most Current Year-End W-2
- Personal Paystub

BUSINESS BORROWER INFORMATION

- Articles of Incorporation/Organization
- Bylaws
- Operating Agreement
- Business License
- Resolution to Borrower
- Rental Agreement (or Letter of Intent)
- EIN Certificate
- 1-3 Months Business and Personal Bank Statements
- 1 to 3 years Business Borrower Tax Return
- Current Year Business Borrower Interim Balance Sheet
- Current Year Business Borrower Interim Profit and Loss
- Current Accounts Receivable Aging Report
- Current Accounts Payable Aging Report
- Business Debt Schedule (template provided)
- Project Budget with sources of funds
- 12-Month Cash Flow Projections
- Two-Year Financial Projection
- Formal or Informal Business Plan
- Rental Agreement for Lease of property and equipment

PROJECT INFORMATION

- Purchase Order(s) / Estimates
- Purchase Agreement
- Asset Purchase Receipts
- Environmental Report
- Real Property Renovation Estimate
- Proof of Cash Equity
- Asset Valuation
- Sources and Uses of Funds
- Project Proposal & Plan