



LOAN APPLICATION GENERAL INFORMATION

The Western Massachusetts Enterprise Fund, Inc. (WMEF) is a private nonprofit Community Development Financial Institution that provides businesses and non profit organizations in western and central Massachusetts with access to capital—through loans—and business support services.

ELIGIBLE APPLICANTS

In order to apply for a WMEF loan, **ALL** of the following **MUST** apply:

- a start-up or existing business or an existing not-for-profit organizations
- unable to obtain sufficient financing through traditional lending sources such as banks
- located in WMEF service area (see service area list)

WMEF will make loans to start-up businesses, and higher-risk borrowers who may have low credit scores or other historic credit issues, as long as WMEF is confident that the issues have been resolved and are not likely to recur. The business owner(s) personal credit reports are obtained upon receipt of the completed application package. WMEF reviews the information in the credit report(s) but does not make lending decisions based on the actual credit score.

INTEREST RATES

WMEF makes higher risk loans than conventional lenders and provides technical assistance to borrowers. For these reasons, WMEF charges higher interest rates than conventional lenders.

LOAN SELECTION CRITERIA

1. Does the business or organization further WMEF's mission, creating an economic benefit to the region. This can be through job creation/stabilization, providing a needed product or service in the area, creating improved benefits or job skill training to its employees, etc.
2. Is the business or organization viable—have a high likelihood of success. WMEF accepts applications from any individual, business or organization in its service area for a viable business enterprise or service.

WMEF does not discriminate against credit applicants on the basis of race, color, religion, national origin, sex, sexual orientation, ancestry, handicap, marital status, age (provided that the applicant has the capacity to enter into a binding contract), or because all or part of the applicant's income derives from any public assistance program.

SUBMITTING AN APPLICATION

In order to be considered for a WMEF loan, the items listed below are required from the applicant(s).

A final decision on financing (options and amount) can only be reached when WMEF receives a **complete** application package.*

- Application Fee** – WMEF requires a **non-refundable** application fee of \$100

 - Loan Application** specific to your business classification, completed and signed :
 - *Sole Proprietor* – A business owned and run by one individual and where there is no legal distinction between the owner and the business.

OR

 - *Small Business/Not-for-Profit* – a business or organization which is a separate and distinct business entity from the owner(s), including cooperative enterprises and non-governmental organizations.
- Each individual applicant, co-borrower, guarantor, or business owner **must** complete the **personal financial information form**—copy form as needed*
- Authorization for Reference Check** – In effort to promote full disclosure and protect your privacy, WMEF requires your authorize for any communication between individuals, companies and/or organizations relevant to your loan application.

 - Business Plan** (see Business Plan Guide) – If an applicant needs assistance in completing a business plan and/or in developing appropriate financial projections, WMEF can refer an applicant to appropriate resources to provide that assistance.

 - Resumes** for applicants & key employees.

 - Financial Information**
 - Year to Date business financial statement (income statement and balance sheet)
 - Two years of Federal Income Tax returns for business (Schedule C if sole proprietor)

- Two Years of Federal Income Tax returns on each individual applicant, co-borrowers or business owners
- Projected Financial Statements and Cash Flow for 3 years (by month for first year, by year, for years 2 & 3)

- Supplementary Material** (*where appropriate*)
After reviewing your application, we may require some, or all of the following information:
 - Copy of Lease (or letter of intent) and Landlord's Waiver if renting space.
 - Quotes or estimates for equipment, leasehold improvements, etc.
 - Copy of Business Insurance Policy or quote
 - Copy of purchase and sale agreement if business acquisition
 - Accounts Receivable and Accounts Payable aging
 - Customer List showing sales by customer
 - Contracts for new orders or customers

Once a completed application package is received by WMEF, a lender will review the information and supporting documents and will contact the applicant to discuss the financing request.*

Submit applications to: Western Massachusetts Enterprise Fund, Inc.
4 Open Square Way, Suite 407
Holyoke, MA 01040

If you have questions, please contact Kim Gaughan

(413) 420-0183 x 100 or kgaughan@wmef.org

**In an effort to fully understand your business and your financing situation, WMEF may require additional information*