

NORTH TEXAS CERTIFIED DEVELOPMENT CORPORATION

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SBA 504 Assistance Agreement

North Texas Certified Development Corporation (NTCDC) is pleased to assist you in your efforts to obtain an SBA 504 loan through the U.S. Small Business Administration (SBA). NTCDC is a "certified development company" authorized by SBA to package, close and service SBA 504 loans. '504' loans provide long-term, fixed interest financing to small businesses for major capital expansions such as new building construction, the purchase of existing facilities, the acquisition of long-term equipment, and debt refinancing. The terms of the loans can be 10 or 20 years, depending on the assets being financed.

In order to speed the completion of your application, we are providing a checklist (with attachments) requesting information about the business, the project and the owner(s). Because you are more familiar with the specifics of your particular business, we must depend on you to provide reliable and verifiable information concerning the business and the loan being requested. The checklist and attachments request all of the information generally needed to complete the 504 loan application. Therefore, it is important that you be as thorough and accurate as possible in gathering information or completing the attachments. However, questions or issues may arise during our analysis that could require you to provide additional information.

Also, unless specifically requested otherwise, you should only provide photocopies of documents such as contracts, tax returns, bylaws, notes, etc. NTCDC cannot guarantee that original documents will be returned.

NTCDC will charge a one-time processing fee equal to 1.5% of the net proceeds of the '504' debenture. This fee will be paid in the following manner:

- A deposit, in the amount of \$2,500, against the processing fee is required when the loan application is accepted for processing.
- Two-thirds of the total processing fee (less the \$2,500 deposit) will be earned and collected when the loan is approved by SBA.
- If the '504' debenture is funded, the portion of the processing fee you previously paid to NTCDC will be refunded to you. This is because the full amount of the processing fee will be included in, and funded through the SBA 504 debenture.
- If your loan is not approved by SBA, or if you withdraw your loan request prior to submission to SBA, expenses incurred by NTCDC for packaging and processing the loan will be deducted from the initial \$2,500 deposit. Any balance remaining will be refunded to you.
- Subsequent to your loan being approved by SBA, if you have any substantial changes in your loan, such as increases in the loan amount, or changes in the ownership structure or borrowers on the loan, there will be a \$500 charge for preparation of the paperwork necessary to revise your loan request.

SBA requires that NTCDC fully evaluate your loan request for both eligibility and credit, and that it be approved by NTCDC's Board of Directors prior to submission to SBA. However, **it is SBA, not NTCDC that will have final approval authority for your loan.** No '504' loan can be approved without the concurrence of SBA.

If your loan is approved by SBA, it will issue an "Authorization and Debenture Guaranty" that will detail all terms and conditions that must be met in order to close the loan. All agreements must be in writing; no verbal commitments will be acknowledged.

Finally, you should understand that the information requested on the checklist and in the attachments is to be used for the purpose of obtaining a loan through the U.S. Small Business Administration. Falsifying or withholding any pertinent information relating to the business or the owner(s) is grounds for denying a loan request.

To indicate your acceptance of the above stated conditions and understandings, please sign in the space provided below and return with the requested loan information. If you have questions concerning the information requested herein, or the SBA 504 program, please contact your NTCDC loan officer.

Accepted by:

Applicant Name (Printed)

Signature of Applicant

Date: _____