Community Futures Shuswap

COMMUNITY FUTURES SHUSWAP

Cottage Industry Micro Loan Application

For cottage industry businesses seeking a business loan of up to $25,000.

START HERE

Business name

Your name

Phone number

Growing communities one idea at a time.

101–160 Harbourfront Drive, Salmon Arm, BC
250.803.0156 · www.futureshuswap.com

Is this the right application?

This programme is for you if

- You produce from home, from a farm, or from a licensed kitchen you have access to
- You hold the approvals your product needs, or you are working toward them
- You sell, or are ready to — farm gate, farmers' market, local retail, online

What the money is usually for

- Kitchen and production equipment — mixer, oven, dehydrator, bottling or jarring gear
- Freezer, cooler and cold storage
- Food-safe upgrades to a kitchen or production space
- Labels, jars, packaging, and the first production run
- Licensing, inspection and certification costs
- Farmers' market fees, delivery, a cooler for the truck

One thing worth getting right: approvals come first

Health, food-safety, licensing and land-use approvals are yours to obtain, and we will want to know where you stand with them.

Interior Health and your local government — the Columbia Shuswap Regional District, or your municipality — decide what you may produce and sell from home. Talk to them early. What they say usually shapes the equipment you end up buying.

Community Futures Shuswap runs six micro loan programmes: Micro Loan, Side Hustle Micro Loan, Youth Micro Loan, Artisan and Crafter Micro Loan, Cottage Industry Micro Loan and Emergency Rapid Response Micro Loan. Each has its own version of this form, and the amounts, terms and fees are not the same for all of them. If another one describes you better, ask us before you fill this in.

Before you start

This is the application for the Community Futures Shuswap Cottage Industry Micro Loan. Please read this page before you complete it.

Maximum loan	Application fee	Minimum credit score
$25,000	**$150**	**650**

The application fee is payable when you submit this application.

How this loan works

- Cottage Industry Micro Loans are short term loans, usually repayable within 48 months or less, with a total commitment of $25,000 maximum per client.
- Interest rates are floating, based on prime plus a premium reflecting the individual risk associated with the business and the applicant, to a minimum of prime plus 2%. Your rate depends on credit history, business performance, personal character and the type of security you provide.
- A minimum average credit score of 650 applies to each borrower and guarantor for loans secured solely by a Loan Agreement, Promissory Note and/or Personal Guarantee.
- Below that score, we may still be able to lend if the loan is also secured by a specific asset or assets. Every application is different and our team will work with you to find the best solution.
- To be eligible for loan funds from the Community Futures network, you must first seek financing from another source, such as a bank or credit union, friend or family.

What to include with your application

We cannot assess your application until it is complete. Please ensure to include the following:

- [ ] **Every page that applies to you is completed and signed**
  Unsigned applications cannot be processed.
- [ ] **The application fee is paid**
  Payable when you submit the application.
- [ ] **Photo identification for each borrower and guarantor**
  Driver's licence, passport or BC photo ID.
- [ ] **A business plan, if you already have one**
  If you submit a business plan you can skip the planning questions at the back of this form.
- [ ] **A cash flow projection**
  Twelve months forecast. We can help you build one.
- [ ] **Your most recent financial statements and tax returns**
  Financial statements only if the business is already operating. We always need personal tax returns.
- [ ] **Quotes or estimates for anything you plan to buy with the loan funds**
  Equipment, renovations, inventory.
- [ ] **A copy of your business registration**
  Or your incorporation documents, if the business is incorporated.

If you already have a business plan

Submit your business plan with this form and leave pages 16 to 20 blank. If you have not written one yet, the last part of this form walks you through the planning steps.

Market research, a business plan and a cash flow projection are needed before we can proceed. If you have not done them yet, we can help you work through them. If you need assistance to complete this application, we are here to help.

How we assess your application

Community Futures Shuswap cannot assess your loan application until all documents and information are complete.

We are committed to serving all businesses in a fair, transparent, timely and equitable manner. All lending decisions are made here in the region.

If you have any questions or concerns about this process, or about a decision taken by Community Futures Shuswap, please contact the Executive Director at 250.803.0156.

Your application is confidential

We will not share your personal information for reasons outside of this loan application without your consent, unless the law requires it.

A note on the totals

Financial calculations work in Adobe Acrobat Reader, which is free. Other PDF viewers, including Preview on a Mac and the viewer built into Chrome, cannot run them. In those viewers you are required to calculate the totals and type them in.

When you have finished

Set a time to bring the completed application and everything on the checklist to our office at 101–160 Harbourfront Drive, Salmon Arm, BC. Call 250.803.0156 to arrange it, or to go through the form with someone before you submit it.

The application fee is due when you submit the application. Ask us which payment methods we currently accept.

Need a hand?

You do not have to fill this in alone. Call us at 250.803.0156 to book a time to come by the office and we will work through it together.

About you

Complete this section for each borrower and each guarantor. If there is more than one, print a second copy of this page.

First name | **Middle name** | **Last name**

Home address | **Apt / suite**

City | **Province** | **Postal code** | **How long there?**

Mailing address (only if different from above)

Home phone | **Cell** | **Email**

Driver's licence # | **Date of birth (DD/MM/YYYY)** | **Number of dependants**

Marital status

◯ Single ◯ Married / common law ◯ Separated ◯ Divorced ◯ Widowed

Citizenship

◯ Canadian citizen ◯ Permanent resident ◯ Work or student visa ◯ Visitor

Your employment

Leave blank if you are not currently employed elsewhere.

Current employer

Occupation

How long? (years / months)

Employer address

Employer phone

Your spouse or common-law partner

Complete this if you have a spouse or common-law partner. Leave it blank if it does not apply. This is someone else's personal information, so only fill it in with their permission — and ask them to sign one of the individual signature lines at the end of the disclosure and release.

First name

Middle name

Last name

Driver's licence #

Date of birth (DD/MM/YYYY)

Occupation

Current employer

Employer phone

How long? (years / months)

Social Insurance Number (optional)

You do not have to give us your Social Insurance Number, and your application will not be treated differently if you leave this blank. It helps the credit bureau match your credit file to you accurately. If you have not borrowed before you may not have a credit file yet, in which case we may be the first to report your information to the bureau.

Your SIN (optional)

Your spouse or common-law partner's SIN (optional)

Your declarations

Answer for yourself and your spouse or common-law partner.

Do you have a current life insurance policy?	◯ Yes	◯ No
Have you or your spouse or common-law partner ever had an asset repossessed?	◯ Yes	◯ No
Have you or your spouse or common-law partner been party to any claim or lawsuit?	◯ Yes	◯ No
Have you or your spouse or common-law partner ever declared bankruptcy?	◯ Yes	◯ No
Do you or your spouse or common-law partner owe any taxes or amounts to the Canada Revenue Agency? If so, for what year(s)?	◯ Yes	◯ No
If yes, which year(s)		
Are you providing personal support (co-signer, endorser, guarantor) for any obligation not listed on this application?	◯ Yes	◯ No

Give any additional details here if you need to

What you own and what you owe

Include everything for yourself and for your spouse or common-law partner.

Real estate owned

	ADDRESS / DESCRIPTION	CURRENT VALUE	MORTGAGE OWING	MONTHLY PAYMENT
Residence				
Property 2				
Property 3				

ASSETS — PRESENT VALUE		LIABILITIES — AMOUNT OWED	
Cash (chequing / savings)	$	Term loans	$
Stocks, bonds, mutual funds	$	Lines of credit	$
RRSPs, pension	$	Bank credit cards	$
Real estate (total from above)	$	Mortgages (total from above)	$
Vehicle 1	$	Vehicle loans or leases	$
Vehicle 2	$	Retailer credit cards	$
Business equity and earnings	$	Guarantees given	$
Other	$	Family maintenance	$
Other	$	Taxes payable	$
		Other liabilities (from page 9)	$
Total assets	$	**Total liabilities**	$

Net worth (total assets minus total liabilities) $

Your monthly household budget

Include your spouse or common-law partner in both columns.

MONTHLY INCOME		MONTHLY EXPENDITURES	
Income drawn from the business	$	Rent or mortgage payments	$
Employment income	$	Finance payments	$
Spouse's employment income	$	Food and clothing	$
Rental income	$	Utilities, phone, internet	$
Pensions and annuities	$	Transportation	$
Investment income	$	Medical and insurance	$
Family or support received	$	Education and child care	$
Other	$	Other	$
Total monthly income	$	**Total monthly expenditures**	$

Other liabilities

Taxes, family support, alimony, co-signed debts, guarantees and leases that are not listed above.

DESCRIPTION	BALANCE OWING	MONTHLY PAYMENT
Total other liabilities		

About the business

Legal name of business

Phone

Physical address

Apt / suite

Community Futures Shuswap

City | **Province** | **Postal code** | **Email**

Mailing address (only if different) | **Website**

This business is, or will be

◯ Sole proprietorship ◯ Partnership ◯ Incorporated ◯ Co-operative ◯ Not-for-profit

Business number | **Incorporation number (if applicable)** | **Fiscal year ends in (month)**

This business is

◯ Not yet in business ◯ Operating full-time ◯ Operating part-time

If already operating, since when?

Employees

	FULL-TIME	PART-TIME	SEASONAL
Currently employs			
Plans to hire in the next 12 months			

Primary sector or industry

◯ Agriculture ◯ Manufacturing ◯ Service ◯ Tourism ◯ Forestry ◯ Retail ◯ Construction

Your professional advisors

Leave blank any you do not have.

Accountant		
Lawyer		
Insurance		

Who owns the business

FIRST NAME	LAST NAME	% OWNED	POSITION

Total — this should come to 100%

Please include a copy of your business registration with your application. If the business is incorporated, send the incorporation documents instead.

About the loan

The purpose of this loan is

◯ Start-up ◯ Expansion or growth ◯ Purchase of an existing business

Please complete both columns below. The two totals must match.

PLANNED USE OF FUNDS		PLANNED SOURCE OF FUNDS	
Purchase or construction of property	$	Community Futures Shuswap	$
Renovation or expansion	$	Personal investment of owners	$
Leasehold improvements	$	Business retained earnings	$
Purchase of equipment	$	Borrowed from friends or family	$
Purchase of inventory	$	Another financial institution	$
Working capital	$	Other	$
Other	$		
Total	$	**Total**	$

Difference between the two columns — this should be zero $

Briefly describe any positive social, economic or environmental impact you expect from this project (optional)

The business's declarations

Is the business providing support (co-signer, endorser, guarantor) for obligations not listed on its financial statements?	◯ Yes	◯ No
Is the business party to any claim or lawsuit?	◯ Yes	◯ No
Has the business ever sought legal protection from its creditors?	◯ Yes	◯ No
Does the business owe any statutory creditors — the Canada Revenue Agency, the Receiver General, WorkSafeBC and so on?	◯ Yes	◯ No

Give any additional details here if you need to, including creditor names and amounts owed

Voluntary declarations

Answering this section is entirely optional, and will have no effect on your application.

Community Futures Shuswap supports small businesses and entrepreneurs. We work with a network of partners who offer specialized programs. If you tell us about yourself and your business, we may be able to point you to additional organizations and programs.

We will discuss any of these with you first, and will only share your information with another organization after you have given us your express written consent.

Information given here may also be compiled into anonymous statistical data, to help improve our services and those of the Community Futures Network of Canada.

Identifying groups

Does the business owner, or any group owning 51% or more of the business, belong to any of these groups?
Tick as many as apply, or none.

- [ ] Indigenous Peoples (First Nations, Inuit or Métis)
- [ ] Women entrepreneurs
- [ ] Young entrepreneurs (aged 19 to 29)
- [ ] Persons with disabilities
- [ ] New Canadians (permanent resident or landed immigrant status)

Community Futures uses a broad definition of disability that includes anyone managing an ongoing health issue, injury, illness or other chronic condition.

How did you hear about Community Futures?

Disclosure and release

Please read this section carefully before you sign.

Are any of the borrowers or guarantors related to a director or employee of Community Futures Shuswap? ◯ Yes ◯ No

If yes, who, and how are they related?

In this agreement, “you” and “your” mean each person who signs below.

The statements made here are for the express purpose of obtaining financing from Community Futures Shuswap, and are true, complete and correct to the best of your knowledge and belief.

This application is not complete unless it is signed below by each party to it, and accompanied by the supporting documents listed under “What to include with your application” on page 4.

You understand that we may ask for more information while we assess your application, and that a decision may be delayed if that information is not provided promptly.

You agree to reimburse Community Futures Shuswap for any legal costs incurred in registering documents for loan security. If you withdraw your request for financing after legal documents have been registered and costs incurred, you agree to reimburse those costs immediately. Community Futures Shuswap will provide evidence of the costs incurred.

The statement of what you own and what you owe, given by each borrower and guarantor, is true, correct and complete.

Each of the undersigned authorizes Community Futures Shuswap to obtain any information it considers necessary to assess this application, including reports from credit bureaus, retail credit companies, any registry, and any person or business that has had business or financial dealings with you.

By signing, you consent to Community Futures Shuswap collecting, using and disclosing your personal information for the purpose of making a credit decision. If your application is approved, you also consent to that collection, use and disclosure for the purpose of administering your loan.

This consent cannot be withdrawn and will remain in effect until amounts owing to Community Futures Shuswap are fully discharged. If your application is declined or withdrawn, we keep your information only for as long as our records retention obligations require.

Community Futures Shuswap will not share any personal information without your knowledge and consent, unless required to do so by law.

Attestation

You confirm that, before applying to Community Futures Shuswap, you approached at least one other source of financing about this business — a bank, a credit union, family or friend — and were unable to secure funding at a suitable rate or terms.

We cannot process this application until it is completed and signed.

By signing, you confirm that you have read the disclosure and release, and the attestation above, and agree to be bound by them.

For corporations

Title of authorized signatory

Print name	Signature	Date

For individual applicants and guarantors

Every borrower and every guarantor must sign.

Print name	Signature	Date

Planning your business

These last pages help us understand your business and help you think it through. Answer in your own words — there are no wrong answers, and short is fine.

If you already have a business plan, submit that instead and leave the rest of this form blank.

If you need help with any of it, call us. Working through these questions together is a large part of what we do.

Your business idea

1. **In a few sentences, summarize your business or business idea.**

2. **Are you building on an existing business, or starting a new one?**

Management

1. **Do you, or anyone going into business with you, have past experience owning or running a business?**
   If yes, please give details.

2. **What skills do you bring to the business?**

Your customers

1. **Who are your target customers?**
   Describe their age, income, buying patterns, where they are, and any trends you have noticed.

2. **What need or opportunity does your product or service address?**

3. **Who is your competition, inside and outside the region? What are their strengths and weaknesses?**

4. **Why will people buy from you instead of the competition?**

Operations

1. **Do you have, or need, any specific equipment to operate?**

2. **Do you need any special permits or licences to operate this business?**

Production

1. **What steps are required to make your product or provide your service?**

2. **Who will carry out those steps?**
   Are you dependent on anyone in particular? What would you do if they became unavailable?

Marketing

1. **What steps are involved in selling your product or service?**

2. **How will you reach your target customers?**

3. **Do you have a marketing plan? If so, describe it.**

Money

1. **What will you charge, and how did you arrive at that price?**
   How does it compare with your competition? Will customers think it is fair?

2. **Have you completed a cash flow analysis? What areas concern you?**

Anything else

1. **Is there anything else we should know that this form has not asked about?**

2. **List any attachments you are including.**

Office use only

Applicants: you do not need to fill in this page.

Date received	File number	Business advisor

Application fee received	Credit check completed	Decision

Notes