

FRANCHISE FINANCE

Rick Anderson, *General Manager, Franchising*
 92 Pebble Beach
 Little Rock, AR 72212
 (501) 228-4047 (501) 228-0708 FAX

www.Franchise-Finance.com

****Application Includes 9 pages – Please Submit All**

Please Check As Appropriate

- New Business Start-up Refinance
 Additional Location Remodel/Acquisition
 Equipment Only Resale
 Conversion

Tracking # _____
(internal use only)

Reference/Franchisor Contact: _____

Phone: _____

Address: _____

Email: _____

Today's Date: _____

CONVENTIONAL APPLICATION**(2-15-08)**

Name: _____ Franchise: _____

Home Address: _____

Work Phone: _____ Home Phone: _____ Amt. Requested: _____

Cell Phone: _____ Fax: _____ E-Mail: _____

All applications **must** include the following. Use checklist to insure application has been completed.

- General cover letter. This should include specific information on the Franchise and why you chose it, information on your ownership and/or partners, and information on any related companies. Are your related companies profitable or not, and why. Explain any unusual items in your financials and credit. Describe your location, why you like it, any competition in the area and how you plan to market the Franchise.
- Term requested: * 3 Year 4 Year 5 Year 7 Year Other 10% Balloon Yes No
- Rate Factor Quoted : _____
- Personal financial statements for each principal of the company (use attached form)
- Tax returns, past three years on each principal of the company. Please sign, date, and include W2 for each person
- Resume for all principals of the company (List any past management experience)
- Advance payments due at closing (1st and last)
- Tax returns—Send past three years for any affiliated companies of the borrower (Signed and Dated)
- Copies of Corporate, Partnership, or LLC documents if available
- Completed Form 4506 for each individual of the company (Start-ups - just sign bottom of form)
- Current Bank, Stock, & IRA etc. statements for last 3 months
- Do you request fees, closing costs, appraisals, filing fees, any origination, and documentation and fees to be financed? Yes No
- Deposit of \$1000* refunded if not approved. Not refunded if applicant cancels after approval
- Please do not put this application package in binders
- Make Copies for your records as this original can not be returned. **NO FAXES PLEASE.**
- Complete First year projections (Form Attached)

Do you own any franchises now: Name: _____ How many: _____ How long: _____

Who will run location day-by-day: _____

Principals that will continue their present employment or current income:

- a) _____ Income yr. _____ type of proof provided _____
- b) _____ Income yr. _____ type of proof provided _____

If exact location is not available, pick a tentative location address as this will speed approval time (address can be changed later)

If Franchise Finance has spent any actual costs, fees that may be deducted from deposit include credit reports, origination fees, and credit card fees*

*Quotes are subject to change until approval * Deposit must be requested within 30 days of decline*

All quotes exclude deposits, fees, balloons, residuals and advance payments

New Business Start-Up

- Description of collateral/equipment list and Contractor's Detail Bid on Leaseholds if available
- Copy of an executed lease agreement for your business location if available (not available check here ___)

Financing a franchised business? Also include the following:

- Copy of an executed Franchise agreement if available
- Recent UFOC on the Franchisor (ask if we have one on file first)

Financing the purchase of an existing business? Also include the following:

- A Copy of executed Purchase Agreement or draft copy (break out amounts for assets, inventory, goodwill etc)
- Three years' business financial statements, tax returns, recent interim financial statement on the business to be acquired and form 4506 (all signed and dated by seller)

Expanding a business you own? Also include the following:

- Completed Business Debt Schedule (as of date of interim statement provided)
- Business financial statements, complete tax returns, last two years and interim (signed and dated)

Credit Questions

Do you have good credit? Yes ___ No ___ if no explain: _____

Do you have a location yet? Yes ___ No ___ if yes address: _____

If not, list tentative location: _____

Have you applied for a loan anywhere in the last 120 days? Yes ___ No ___

If yes, where/why/status: _____

Bank & Trade Reference

TYPE	COMPANY NAME	ACCT. NO.	TYPE	PHONE
Bank Ref	_____	_____	_____	_____
Bank Ref	_____	_____	_____	_____
Trade Ref	_____	_____	_____	_____
Trade Ref	_____	_____	_____	_____

Credit Card Option for Deposit: Type: _____ CC# _____ Exp. Date: _____
 (Amount charged to card must be \$1,000 plus 5%) (5% not refundable)

Name on card: _____ Address if different: _____

Signature _____ Date _____

LOAN REQUEST FORM

1. BUSINESS DESCRIPTION:

Name of Borrower: _____

Address: _____
Street
City
County
State
Zip

Operating Company: _____
Trade Name:
Franchise Name:

Franchise Address: _____
Street:
City:
County:
State:
Zip:

Type of Business: _____
Tax ID #
Date Established:

Legal Entity Type: _____ Date Established: _____

Sole Prop S-Corp C-Corp LLC Trust Other Date Inc. _____ State _____

Will you incorporate before funding? _____

Number of Employees at current: _____ If Loan is Approved: _____ Affiliates: _____

Address of location: _____

2. BORROWER OWNERSHIP (Must Total 100%);

Name	Title	Relationship	% Owned	SS#

(ATTACH A RESUME FOR EACH KEY MANAGER)

3. AFFILIATED COMPANIES:

(LIST ALL BUSINESS ENTITIES IN WHICH BORROWER OR ANY PRINCIPLES HAVE OTHER INTERESTS).

Company Name	Owner	% Owned

(ATTACH A BRIEF COMPANY DESCRIPTION, RELATIONSHIP TO BORROWER, NUMBER OF EMPLOYEES, TAX RETURNS)

4. PROJECT COST (required to complete this section)	Paid	Source of Payment
Franchise Fee \$ _____	_____	_____
Land Acquisition _____	_____	_____
Construction (Building Only) _____	_____	_____
Leasehold Improvements (inside) _____	_____	_____
Machinery & Equipment _____	_____	_____
Furniture & Fixtures & Signs _____	_____	_____
Inventory _____	_____	_____
Payoff Debt _____	_____	_____
Vehicle _____	_____	_____
Business Purchase _____	_____	_____
**Other (Deposits, Permits) _____	_____	_____
Working Capital _____	_____	_____

TOTAL PROJECT COST \$ _____ Paid \$ _____

**Other Expenses (See above): Please break down figures:

Permits _____ Deposits _____ Insurance _____ Other _____ Amt. _____ Other _____ Amt. _____

LOAN REQUEST _____ % \$ _____ BORROWER INJECTION _____ % \$ _____

Injection coming from where: _____ Other Loans for Project: _____

Formula for financing amount:

Total Project Cost _____ - Working Capital _____ = _____ X _____ % Financed = \$ _____ Loan Request

Account No.	Name of Institution	Name on Account	Amount	Copy of Statement Attached (Required)
Checking				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
Savings				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
Money Market				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
CD				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
Life Insurance		Beneficiary Face Amount	Cash Value Loans	
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
IRA				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
401K				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

SCHEDULE B – MARKETABLE SECURITIES

Number of Shares of Bonds	Description	In the Name of	Market Value	Copy of Statement Attached (Required)
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

SCHEDULE C - NON MARKETABLE SECURITIES

Description of Securities or Business you own	Number of Shares Owned	Financial Statement	Number of Shares Outstanding

SCHEDULE D - REAL ESTATE OWNED

Description of Property	% of Ownership	Title in Name of	Date Acquired	Cost	Market Value	Mortgage Remaining

AUTHORIZATION TO RELEASE CREDIT

THIS APPLICATION DOES NOT OBLIGATE BORROWER TO ENTER INTO THE LOAN/ LEASE

The undersigned represents that all information provided with this Application is true and correct and hereby authorizes Franchise Finance and any other lender working this application, to obtain from third parties, companies, information it deems necessary to arrive at a decision regarding this Application. By signing below, the undersigned individual(s) as principal of and/or guarantor for the applicant, authorizes Franchise Finance, its designee, assigns or potential assigns, to review his/her personal credit profile provided by a national credit bureau in considering this Application and for the purpose of update, renewal, or extension of credit to the Applicant or the collection of any resultant accounts. I authorize all deposit, borrowing, financial and trade information to be released to Franchise Finance by telephone or fax. A photocopy or fax of this authorization shall be valid as the original. To help fight terrorism and money laundering, the information you provide will be verified to allow us to identify you.

Signature _____ Date _____ Social Security# _____ Date of Birth _____

Signature _____ Date _____ Social Security# _____ Date of Birth _____

(EXISTING DEBT IF YOU OWN A BUSINESS NOW and or LIST OTHER DEBT THIS BUSINESS WILL HAVE)

BUSINESS DEBT SCHEDULE

COMPANY NAME: _____ DATE: _____

This schedule should contain loans for contracts and notes payable, not accounts payable or accrued liabilities.

Creditor Names	Original Amount	Original Amount	Present Balance	Interest Rate	Monthly Payment	Maturity Date	Collateral or Security	Current or Delinquent

*TOTAL PRESENT BALANCE: _____

* Total must agree with balance shown on Interim Financial Statement

Borrower: _____

Please Print Name By: _____ Title: _____

Form **4506-T**
(January 2004)

Request for Transcript of Tax Return



Department of the Treasury
Internal Revenue Service

- ▶ Do not sign this form unless all applicable parts have been completed. Read the instructions on page 2.
- ▶ Request may be rejected if the form is incomplete, illegible, or any required part was blank at the time of signature.

OMB No. 1545-1872

TIP: Use new Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can also call 1-800-829-1040 to order a transcript. If you need a copy of your return, use Form 4506, Request for Copy of Tax Return. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return	2b Second social security number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code	
4 Address, (including apt., room, or suite no.), city, state, and ZIP code shown on the last return filed if different from line 3	
5 If the transcript or tax information is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax information.	

CAUTION: Lines 6 and 7 must be completed if the third party requires you to complete Form 4506-T. Do not sign Form 4506-T if the third party requests that you sign Form 4506-T and lines 6 and 7 are blank.

6 Product requested. Most requests will be processed within 10 business days. If the product requested relates to information from a return filed more than 4 years ago, it may take up to 30 days. Enter the return number here and check the box below. ▶

- a Return Transcript**, which includes most of the line items of a tax return as filed with the IRS. Transcripts are generally available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years.
- b Account Transcript**, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns.
- c Record of Account**, which is a combination of line item information and later adjustments to the account. Available for current year and 3 prior tax years.
- d Verification of Nonfiling**, which is proof from the IRS that you did not file a return for the year.
- e Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript.** The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2003, filed in 2004, will not be available from the IRS until 2006. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213.

CAUTION: If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

7 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T.

____/____/____ ____/____/____ ____/____/____ ____/____/____

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, either husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer.

Sign Here	Signature (see instructions)	Date	Telephone number of taxpayer on line 1a or 2a ()
	Title (if line 1a above is a corporation, partnership, estate, or trust)		
	Spouse's signature	Date	

PERSONAL INCOME AND EXPENSE ANALYSIS

Name _____

<u>INCOME</u>		<u>MONTHLY</u>	<u>ANNUAL</u>
AVAIL. DRAW	(Net Profit From Franchise)	_____	_____
GROSS SALARY	(From Franchise)	_____	_____
GROSS SALARY	(Income From Outside Franchise)	_____	_____
RENTAL INCOME	(Outside Franchise)	_____	_____
INTEREST INCOME	(Outside Franchise)	_____	_____
ALIMONY*	(Outside Franchise)	_____	_____
OTHER INCOME	(Outside Franchise)	_____	_____

TOTAL INCOME

Alimony or child support payments need not be disclosed unless it is desired to have such payments counted toward total income*

EXPENSES	(Personal Only-Not Franchise)	
MORTGAGE EXPENSE	(Principal & Interest)	_____
RENTAL EXPENSE	(If Any)	_____
RESIDENCE EXPENSE	(Cash Expense Less Principal & Interest)	_____
AUTO LOANS	(All)	_____
INSTALLMENT LOANS	(All)	_____
REVOLVING CREDIT	(5% Of all balances)	_____
UTILITIES/PHONE	(Please Estimate)	_____
INSURANCE	(All Personal)	_____
FOOD	(Estimate)	_____
CLOTHING	(Estimate)	_____
MEDICAL EXPENSES	(3 Yr. Average)	_____
INCOME TAXES	(Historical Expenses)	_____
PROPERTY TAXES	(Historical Rate)	_____
ALIMONY	(If Applicable)	_____
CHILD CARE	(If Applicable)	_____
OTHER EXPENSES		_____
MISCELLANEOUS		_____
**Typical Range is 5%-10% Of Total Income)		
TOTAL EXPENSES		_____
NET DISCRETIONARY INCOME	(Total Income Minus Expenses)	_____
COVERAGE RATIO	(Income divided by expense, at least 1.25%)	_____

SIGNATURE _____

DATE _____

BUDGET PROJECTIONS													
Monthly Sales	1st Month	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Totals
									9				
Gross Sales													
Cost of Sales													
Gross Profit													
Operating Expenses													
Salaries To Others													
Salaries To You													
Payroll Taxes													
Repairs													
Rent with CAM													
Taxes and Licenses													
Advertising													
Medical Insurance													
Insurance (CAS & W/C)													
Accounting and Legal													
Postage													
Royalties													
Utilities													
Telephone													
Miscellaneous													
Auto and Truck													
Equipment Leases													
Total Operating Expenses													
Net Profit													
Less Debt Service													
Profit Before Depreciation													

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