

## ND SBDC Checklist for SBA Economic Injury Disaster Loans

“The biggest reason for delays in processing is due to missing information. Make sure to complete all filing requirements before submitting the application and forms.” – SBA

We recommend taking these steps to ensure loans are expedited and processed efficiently. This will help to expedite your application and avoid delays that might result from an incomplete application.

### RECOMMENDATIONS

- Print paper copies of the SBA Loan Application Forms, as a REFERENCE, prior to starting the online application. Please note, **APPLYING ONLINE IS THE PREFERRED METHOD, HOWEVER DUE TO SYSTEM OVERLOAD AT TIMES, THE SITE MAY DIRECT YOU TO PRINT FORMS AND UPLOAD VIA DROPBOX.**
  - <https://disasterloan.sba.gov/ela>
  - If you try the site and are directed to print forms, here is a [helpful document](#) that includes links to forms and supplemental instructions.
- Personal Financial Statement (SBA Form 413) - RECOMMENDATION:** DOWNLOAD AND PRINT THIS FORM BEFORE STARTING THE ONLINE APPLICATION (additional information below).
- Schedule of Liabilities (SBA Form 2202) - RECOMMENDATION:** DOWNLOAD AND PRINT THIS FORM BEFORE STARTING THE ONLINE APPLICATION (additional information below).
- Review credit scores for all owners being represented on the loan.
- Ensure business and business owners do not owe a state or the federal government any money or are behind on any alimony or child support payments, etc.
- NOTE: AFFILIATE / PARENT BUSINESS includes business parent, subsidiaries, and/or businesses with common ownership or management.
- Be sure you are selecting the correct disaster declaration when completing the online form. Choose the one that says ‘North Dakota’ rather than one that might be from a neighboring state and include border counties.
- Create a new email address specifically for the loan that business owner(s) can share with all other business owners, accountants, CPA's, office manager, etc. This way communication from SBA is not missed. **TIMELY AND PROMPT RESPONSES ARE KEY TO FASTER PROCESSING TIMES, MONEY AND RELIEF!**
- Use Internet Explorer or Mozilla Firefox. Chrome does not function well.
- Use the SAVE button frequently and at every prompt. The website may go down periodically due to high volume. If that happens, try to login again at a later time.
- Be sure to write down your password as neither the system nor any personnel are able to retrieve it.
- DO NOT LEAVE ANY BLANK SPACES. Please use N/A versus a blank space.**

### REQUIRED FORMS AND INFORMATION

- Obtain the following information:
  - SSN # of all represented owners/general partners
  - EIN # of business and business affiliates ready
  - NAICS#
- Verify that the business is in "Good Standing" with your state.
- Profit & Loss Statement** (Income Statement) - Current Year
- Balance Sheet Statement** - Current Year

- Business Loan Application (SBA Form 5)**
  - Completed and signed by all business applicant(s).
- SOLE PROPRIETORS Business Loan Application (SBA Form 5C)**
  - Sole Proprietors' have a different paper application than all other business entities.
  - Completed and sign by all business applicant(s).
  - [https://www.sba.gov/sites/default/files/files/serv\\_da\\_sba\\_form\\_5c\\_0\\_0\\_3.pdf](https://www.sba.gov/sites/default/files/files/serv_da_sba_form_5c_0_0_3.pdf)
- IRS Form 4506-T**
  - Completed and signed by representative of applicant business (CEO, President, Manager, or Member).
  - Completed and signed by each principal owning 20% or more of the applicant business, each general partner or managing member and, for any owner who has more than a 50% ownership in an affiliate business.
  - If taxes were not filed, it is recommended to provide *Copy of Extension* and explanation by CPA/accountant or *Letter of Explanation* by owner.
- Verify filing status and address format from previous year's taxes to ensure it matches the IRS' registered information. Check 2018 or 2019 Tax Documents.
- FEDERAL INCOME TAX RETURNS: Gather COMPLETE copies, including all schedules, of the most recent taxes for the applicant business.**
  - **DO NOT LEAVE OUT ANY PAGES!** INCLUDE ALL BLANK PAGES AS WELL. (EXPLANATION: If document states, "Page 3 of 4" and paper is blank or states "PAGE INTENTIONALLY LEFT BLANK", still include this page in the packet.)
  - If the most recent Federal income tax return has not been filed, a year-end profit and loss statement and balance sheet for that tax year is acceptable.
- Personal Financial Statement (SBA Form 413)** completed, signed and dated by the applicant (if a sole proprietorship), or each principal owning 20% or more of the applicant business, each general partner or managing member.
  - Include all forms of income, debt, liabilities, and assets (cash, stocks, bonds, investment properties, etc.).
- Copy of Credit Bureau Report with Credit Scores from all three primary reporting agencies for all owners of the business with minimum 20% ownership.**
- Schedule of Liabilities (SBA Form 2202)** listing all fixed debts (mortgage, notes, accounts payable). You will need to know the following information regarding debt and liabilities:
 

○ Name of Creditor	○ Maturity Date
○ Original Loan Amount or Maximum Credit Line (if revolving line of credit or credit card)	○ Are you current or delinquent for each liability?
○ Date account opened	○ Payment Amount (designate monthly or yearly)
○ Current Balance	○ Is it secured and, if so, what collateral was used?
- Additional Filing Requirements (SBA Form 1368)** providing monthly sales figures.
- Written explanation of the amount you are seeking and how it will be used.** Describe the loss.

#### **ADDITIONAL INFORMATION**

**PLEASE HAVE THIS PREPARED AND READY PRIOR TO SUBMITTING APPLICATION.** If they need it in the future, you'll already have it available to submit, and not delay the process.

- Complete copies, including all schedules, of the most recent Federal income tax returns for each principal owning 20% or more of the applicant business, each general partner or managing member, and each affiliate when any owner has more than a 50% ownership in the affiliate business.

#### **\*\*\* OTHER RECOMMENDATIONS WHILE LOAN IS IN PROCESS\*\*\***

- Share the SBA site information with pertinent and trusted parties (business owners, accountant, office manager, etc). Note the following:
  - USERID
  - Password
  - SBA Application Number

#### **WHAT'S NEXT? WHAT SHOULD YOU EXPECT?**

- You will receive email confirmation that your application has been submitted.
- You will receive an email letting you know that your application is under review.
- SBA reviews your credit before conducting an inspection to verify your losses
- A loan officer will determine your eligibility during processing.
- A loan officer should work with you to provide all the necessary information needed to reach a loan determination. The goal is to arrive at a decision on your application within 2-3 weeks.
- A loan officer should contact you to discuss the loan recommendation and your next steps.
- You will also be advised in writing of all loan decisions. Denials are communicated via postal mail (USPS).
- Reasons for a loan to be declined: credit score; documenting financial projections; documentation missing
- If you are declined, you will have 3 opportunities to resubmit within 6 months.