

## RETAIL BUSINESS OVERVIEW

<b>Eligible Properties:</b>	<b>National franchises, liquor stores, gas stations, convenience stores, etc.</b> For long term debt financing, retail business should have attached property. Business-only can be financed for a 10 year term. New locations must be in strong retail market. Will consider unique retail stores on a case-by-case basis.
<b>Eligible Property Locations:</b>	Nationwide- prefer solid market strength as determined by, among other factors, market industry data, traffic counts, and trends in population and employment.
<b>Loan Types:</b>	Acquisition, Development, and Refinance – Unless loan is funded completely by conventional lender, most small business loans are structured with SBA 7(a) guarantees.
<b>Loan Size:</b>	\$200K - \$2M
<b>Debt Service Coverage:</b>	Generally, 1.10 – 1.30, depending on the quality of the location and market. If previous year's tax returns don't meet DSCR, Reliant Capital Funding will create supportable projections.
<b>Loan-to-Value Ratio:</b>	Up to 90% maximum LTV.
<b>Loan Term:</b>	5 – 25 years ( <a href="http://www.reliantcf.com/sba7a.html">www.reliantcf.com/sba7a.html</a> for specific terms)
<b>Amortization:</b>	5 – 25 years
<b>Interest Rates:</b>	Pricing is based upon the quality of the business and financial strength. Typically rates are based on the Prime Rate or LIBOR. Fixed or variable rates are available.
<b>Fees:</b>	<b>Reliant Capital Funding Fees:</b> We will price adjust our fees according to level of difficulty and other underwriting considerations- typically 1-2% of the loan amount- paid only if a Commitment Letter is issued. <b>Third Party Fees:</b> The following fees can be included in the financing. An appraisal report can cost \$3000. A Phase 1 environmental can cost \$2000 (if property is included). <b>SBA Fees:</b> SBA 7(a) can range from 3 – 3.5% of the loan amount, paid directly to the SBA, and can be financed into the loan.
<b>Other:</b>	For SBA 7(a) loans, all owners over 19% must personally guarantee loan. Additional collateral may or may not be required, as determined on a case by case basis directly by the lenders. RCF will negotiate collateral on behalf of client. SBA 7(a) loans have a 3 year prepayment penalty. Conventional loan prepayment penalty varies depending on lender. Both loan types are fully assumable.

**NOI Calculation:** Prefer to receive three full years of operating history.

**Revenues:** Underwrite revenues based on the greater of last full fiscal year or trailing 12 months. Supportable projections using market data, management experience, new initiatives, etc. can be used in place of historical revenues if needed (determined by RCF prior to package submission to bank).

**Expenses:** Underwrite expenses based on the last full year or trailing 12 months. Expense projections based on actual figures and can be re-casted using industry data averages and normalization techniques.

## PROCESS OVERVIEW:

Upon Reliant Capital Funding’s (RCF) receipt of the documentation contained in the *Pre-Application (Term Sheet) Punch List* below, we will conduct preliminary due-diligence and underwriting in order to determine our level of interest in your project. If we feel that we can structure your loan successfully and take the deal to the closing table, we will submit a preliminary package to our preferred lenders and obtain a Term Sheet(s) for your review and consideration.

Until a Term Sheet is issued and accepted by you, no commitment to RCF or any lender exists. Upon your review and acceptance of a Term Sheet, a Client-Agent Agreement must be dually signed, and a non-refundable application fee of \$750 will be due to RCF. At this point, we will create and submit a complete package with the loan structure, underwriting analysis, industry trends and projections. Once the loan is approved, the Commitment Letter will be signed by the borrower and fees for the appraisal and environmental will be due to the bank (financing will be contingent on those two items). RCF will assist the borrower until the loan closes and is not fully compensated until the loans closes.

<b>Pre-Application (Term Sheet) Punch List</b>		
REQUIREMENT	PENDING	RECEIVED
Complete the ' <b>Information Request Form</b> ' on the next page*	<b>X</b>	
3 Years Personal Tax Returns from each borrower	<b>X</b>	
Personal Financial statement from each borrower**	<b>X</b>	
Management Resume from each borrower**	<b>X</b>	
3 Years Business Tax Returns (for proposed business)	<b>X</b>	
Purchase Agreement / Letter of Intent	<b>X</b>	
Additional information: ***	<b>X</b>	
Gas: Number of gallons per month, for the last trailing 12 months, and average pooled margin		
C-store/Liquor Store: Monthly store sales breakdown and gross profit margin		

\* RCF can take this information from you over the phone if you desire

\*\* RCF will help you create if needed

\*\*\* Preferred if available

## RETAIL BUSINESS INFORMATION REQUEST FORM

Applicant Information					
<b>Applicant Name</b>					
<b>Address</b>					
<b>City</b>		<b>State</b>		<b>Zip</b>	
<b>Phone</b>		<b>Fax</b>		<b>Email</b>	
Business Information					
<b>Is property</b> <input type="checkbox"/> <b>leased or</b> <input type="checkbox"/> <b>owned?</b>			<b>Appx. square feet of location</b>		
<b>If property is owned, what is the size of the lot?</b>					
<b>Business located in</b> <input type="checkbox"/> <b>strip center</b> <input type="checkbox"/> <b>mall</b> <input type="checkbox"/> <b>self standing</b> <input type="checkbox"/> <b>other</b> _____					
<b>Type of Business</b>			<b>Trade Name</b>		
<b>Address</b>					
<b>City</b>		<b>State</b>		<b>Zip</b>	
Ownership					
<b>Name</b>		<b>Title</b>		<b>Ownership %</b>	
1					
2					
3					
Loan Information					
<b>Purpose</b> <input type="checkbox"/> Acquisition <input type="checkbox"/> Refinance <input type="checkbox"/> Construction <input type="checkbox"/> Other: _____					
If Acquisition, is property/business under contract? <input type="checkbox"/> Yes (closing date): _____ <input type="checkbox"/> No					
If business is leased, provide lease details (term/options): _____					
Estimated Project Costs (fill out only the fields that apply to your Purpose)					
<b>Land Value</b> (new construction only)			<b>\$</b>		
<b>Construction Costs</b> (new construction only)			<b>\$</b>		
<b>Land and Building</b> (acquisition only)			<b>\$</b>		
<b>Purchase Business</b> (acquisition only)			<b>\$</b>		
<b>Renovations/Remolding</b> (refinance or acquisitions)			<b>\$</b>		
<b>Purchase Equipment</b> (new construction only)			<b>\$</b>		
<b>Purchase Inventory</b> (new construction or acquisitions)			<b>\$</b>		
<b>Debt Refinance</b> (refinance only)			<b>\$</b>		
<b>Closing Costs</b>			<b>\$</b>		
<b>Working Capital</b> (new construction or acquisitions)			<b>\$</b>		
<b>Other Specify:</b> _____			<b>\$</b>		
<b>Total Project Cost</b>			<b>\$</b>		
<b>Less: Your Cash Injection</b>			<b>\$</b>		
<b>Less: Seller Financing</b>			<b>\$</b>		
<b>Less: Other</b>			<b>\$</b>		
<b>Loan Request</b>			<b>\$</b>		
Other Information (Mgt. Experience, recent renovations, other )					

If you would like us to complete this form over the phone, contact Neal Patel or Rohul Patel at 908-698-0498.