LHOME makes affordable loans to residents and entrepreneurs in low-income neighborhoods in Jefferson County, KY
what you'll learn

- HOW TO APPLY FOR AN LHOME LOAN
- COMMON LOAN VOCAB
- SIMPLE MISTAKES TO AVOID

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#WeAreLHOME
LHOME Loans

Small Business Loan
- Maximum: $15,000
- Interest: 7.5% APR
- Maturity: 3 years
- Application Fee: $125

Working Capital Loan
- Maximum: $15,000
- Interest: 7.5% APR
- Maturity: 6 months
- Application Fee: $125

Small Investor Loan
- Maximum: $30,000
- Interest: 11% APR
- Origination Fee: 2%
- Maturity: 12 months
- Payments: Interest Only Monthly
- Balance due at 12 months
- Application Fee: $550

Small Business Loan
- Maximum: $15,000
- Interest: 7.5% APR
- Maturity: 3 years
- Application Fee: $125
the loan process

1. submit completed application
2. underwriting + loan review
3. loan approval
4. close + disburse funds
All Business Loan Applicants

- Signed Loan Application (enclosed)
- Project Information (enclosed)
- Management Information and Acknowledgements (enclosed)
- Description of Collateral for the Loan (enclosed)
- Application Fee By check only. Refer to page 3 for amount. Nonprofits are exempt.
- Signed Personal Financial Statement (example enclosed)
- If married, submit a joint statement with your spouse
- Signed Disclosure Agreement (enclosed)
- Proof of Income
- Copy of Personal Federal Tax Returns for the Most Recent 2 Years
  Nonprofits are exempt.
- Copy of Business Federal Tax Returns for Most Recent 2 Years
- Copy of 2 Most Recent Bank Statements

Small Business Loan Applicants Only

- 12-Month Income and Expense Projections (example enclosed)
- Other forms with similar information are acceptable.
- Business Notes Payable Schedule (enclosed)
- Business Plan (example enclosed) Other forms with similar information are acceptable
- Current Year Internal Financial Statements Within the Last 60 Days (for existing businesses only)

Nonprofit Applicants Only

- Proof of Authorized Representative(s)

Small Developer/Investor Applicants Only

- Developer/Investor Experience Project Plan

Working Capital Applicants Only

- Signed Contract with Developer or Contractor (if subcontractor)
Loan Vocab

Amortization - spreading payments over time
Principal - Amount of money borrowed on a loan
Interest rate - amount charged by a lender to a borrower for the use of the loaned money
It is typically expressed by a percentage of the principal
APR - The APR or Annual Percentage Rate is a standardized calculation that represents the yearly cost of your loan (your interest rate plus any additional fees or rates)
Term - The time period in which you agree to pay back your loan
Liability - Financial obligations or money already owed like student loans or car notes
Default - Failing to repay a loan
Co-signer - Person who assumes equal liability for your loan. If you default, they become responsible for repayment
simple mistakes to avoid

when you're unsure, feel free to ask questions. we want you to have a successful application and our company doesn't survive unless clients can pay back our loans.

- What counts as collateral?
- Does my credit score matter?
- How long is the application process?
- Will applying for a loan hurt my credit?
Business Plan

Business Name__________________________________________
Date_________________

Describe the service/product you will offer.
_________________________________________________________

Describe qualifications and experience of management and other employees, and any outside professional services (accountants, attorneys, etc.).
_________________________________________________________

Describe the market area, market trends, and customers you will service. Describe your advertising, promotions, pricing and customer service.
_________________________________________________________

Who is your competition? Be specific. What are the advantages of your product or service?
_________________________________________________________

What are your plans for growth or expansion? How does this relate to working capital, equipment and/or your building (location, size, age, zoning, condition)?
_________________________________________________________

What is your financing plan? Specify how much money you can put towards the project & how much money you need to borrow.
_________________________________________________________
Special Guests

GOODWILL
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