



LOAN APPLICATION ASSISTANCE AGREEMENT BETWEEN THE BORROWER AND AMERITRUST CDC

This agreement is made this ____ day of _____ 2012 between the Ameritrust CDC, a Washington non-profit corporation and a U.S. Small Business Administration Certified Development Company, and _____, hereinafter referred to as Borrower.

LOAN APPLICATION

Ameritrust CDC, at the request and with the assistance of Borrower agrees to prepare a complete set of documents with supporting exhibits to be a loan application hereinafter referred to as Application, for the use and benefit of Borrower. The Application is intended for use by Borrower in seeking financing through the Small Business Administration's 504 Loan Program. Ameritrust CDC shall examine and review Applicant's financial history and condition to determine whether said Application will be appropriate at this time. After the review process, Ameritrust CDC shall begin processing an Application if it determines, in its sole discretion, that the Borrower meets eligibility criteria.

LIABILITY

Borrower agrees that Ameritrust shall not be responsible or liable in any manner to Borrower in the event that the Borrower is not successful in obtaining financing from the SBA and/or private lending institutions, which may utilize the Application. Borrower hereby agrees to indemnify CDC and hold it harmless from any loss, liability, claim, demand, cost, charge or damage arising out of or related to this Agreement.

FEES CHARGED FOR SERVICES

If Ameritrust CDC is successful in obtaining SBA 504 financing for Borrower, the following fees will be charged for services by the US Small Business Administration. These fees are assessed at Loan Closing, are added to the SBA portion of the loan and are financed by loan proceeds, with the exception of Closing Costs.

1. Processing fee. (Calculated as 1.5% (.015) of SBA portion of the loan).
2. Funding fee. (Calculated as .25% (.0025) of SBA portion of the loan).
3. Underwriting fee. (Calculated as .40% (.0040) of SBA portion of the loan).
4. Guarantee fee. (Calculated as .50% (.0050) of SBA portion of the loan).
5. Closing Costs. (These are actual closing costs for title insurance, recording costs, etc., in an amount estimated between \$750.00 & \$2,000.00. These costs are typically paid for out of pocket by the borrower. Any residual amount refunded to the borrowers due to rounding will be used to offset these costs.

ATTORNEY'S FEE

Borrower acknowledges that an attorney will be required to "close" the 504 loan. The amount charged by an attorney for services provided is considered an eligible 504 project cost and unless instructed otherwise, will be added to the above mentioned fees and paid out of the gross debenture proceeds. The amount charged by a 504-closing attorney is estimated to be \$2,500. Ameritrust CDC does not receive any of the money paid to a closing attorney nor is Ameritrust CDC a party to any agreement between Borrower and the closing attorney.

DEPOSITS

Ameritrust CDC requires a 1% deposit for services. If for any reason your loan request is declined by Ameritrust CDC or the US Small Business Administration, a full refund will be provided minus costs if any incurred.

WITHDRAWAL OR CANCELLATION

PRIOR TO SBA APPROVAL

If you cancel your application for a 504 loan, or do not cooperate fully in providing materials for the application, Ameritrust CDC will charge for its expenses from the fee deposit and refund the remainder.

AFTER SBA APPROVAL

If your loan is withdrawn, cancelled or not closed for any reason, you agree to pay Ameritrust a cancellation fee of 1% of the approved loan amount. Your fee deposit will be applied to the 1% cancellation fee. In addition, you must pay any expenses or fees that have been incurred or will be incurred due to the cancellation, such as legal fees or title insurance cancellation charges.

504 LOAN PREPAYMENT PENALTY

A 504 loan has a prepayment penalty during the first half of the loan term. The penalty is a declining amount based upon the balance of the loan at the time of prepayment. During the first year of the loan, a prepayment penalty would be 100% of the interest on the unpaid balance for a one-year period. The second year penalty would be 90%, the third year 80%, and so on, until after the end of the tenth year of the loan there would no longer be a prepayment penalty.

SBA LOAN ASSUMPTION

An SBA loan may be assumed by another party at the sole determination by the SBA based upon credit analysis and other information submitted about the assumption party. However, in the event the SBA approves an assumption, the original borrowers will not necessarily be released from their personal guaranty of the loan. If a loan assumption is requested, Borrower agrees to pay Ameritrust CDC a fee of \$1,000.00 for costs involved in effecting the assumption.

NO PROVISIONS OUTSIDE THIS WRITTEN AGREEMENT

Both parties agree there are no other promises, terms, or agreements, oral or written, outside this Agreement, and that this written Agreement controls over any such terms, promises, or agreements. The Borrower acknowledges that an Ameritrust CDC Loan Officer has explained the following terms:

- 1) The SBA Prepayment Penalty.
- 2) The Automatic Electronic Withdrawal method of payment.
- 3) SBA Loan is Assumable.
- 4) The interest rate is determined at the time of Debenture Sale. Any discussion of interest rate at the time of application or any time after loan approval, prior to Debenture Sale, is for demonstration and example only and does not guarantee the interest rate.

CONFIDENTIALITY

In the conduct of this assistance agreement, Ameritrust CDC acknowledges that all business and personal financial information provided by the Borrower and/or its principal(s) will be held in strictest confidentiality and will not be divulged to any persons or agencies other than prospective lenders and/or guarantors.

By signing, Borrower certifies that they have read this agreement, completely understood its contents, and agrees with each provision.

By: _____
Borrower

By: _____
Ameritrust CDC

By: _____
Borrower