



# People First Credit Union

## Community Loan Application Form

# Information on Making a Community Loan Application

This document sets out information you will need to know in order to make a Community Loan application with the credit union.

A community loan is defined as a loan provided to a community or voluntary organisation which is established for the express purpose of furthering the social, economic or environmental well-being of individuals within the common bond of the credit union in the following areas;

- Sport and recreation
- Culture and heritage
- The arts (within the meaning of the Arts Act 2003)
- Health of the community
- Youth, welfare and amenities; and
- Natural environment.

## Loan Purposes considered under this project

- Purchase/renovation/refurbishment of buildings used for community purposes.
- Purchase of land for community purposes.
- Social projects with a local government/lotto funding guarantee.
- Purchase of fixtures and fittings/equipment for use by a community based organisation.

## Terms and Conditions

- This policy does not provide for bridging finance
- Defined loan underwriting criteria will be applied.
- The maximum term is up to 35 years (420 months)
- Repayments must be paid on the loan at least monthly during the loan term.
- Legal advice will be sought to arrange security for the loan.
- The group/society should have no current loan arrears.
- The loan should not be guaranteed or solely dependent upon the successful receipt of an insurance claim.
- The loan should not be used to purchase a foreign property.
- The member should be advised that legal action will be taken if they do not keep up repayments on their loans.
- The rate of interest for this type of loan will be 8.99% (9.33%APR)

## Your first step:

Contact the credit union lending officer in charge of community loans to establish whether the group/society falls within the allowable category of borrowers and the purpose is consistent with the allowable criteria for loans under this policy.

## Once it has been established that you are eligible to apply for a loan...

We will need certain information to process your loan application that sets out why you need funding, how you will use it and what it will help you achieve (both at the club and in the community). To facilitate this process, we have created a standard template business plan for you to complete.

Summary

Date \_\_\_\_\_

**Name of organization:**

**Contact details:**

Please provide a brief outline of the proposal and the proposed service being offered, what prompted the development of the community business and how it will fulfill the objectives of a community project and give added value to the local community/area. Set out the amount you are applying for and the proposed duration of the loan.

Description of Organisation

**Principal Officers:**

**Please list the Board/Committee members:**

**Please provide details of how the Board/Committee members are elected:**

**Please give a general overview of who you are, main/key objectives of the organisation, services provided, the organisation's history & geographical area served:**

**Company Ownership/Legal Entity**

Please set out your constitutional status and provide a signed and dated copy of your Memorandum & Articles of Association/Rules/Certificate of Incorporation/Governing Documents/Trust Deeds/Club Constitution.

# Financials

## Loan Details:

Loan Purpose:

Loan amount:

Proposed duration of loan:

Details of Security offered:

## Please provide details of existing banking/borrowing arrangements:

### Banking arrangements

Financial Institution	Services Provided (current account, overdraft, savings)

### Borrowing arrangements

Loan type	Financial Institution	Amount borrowed	Remaining term	Installment amount & frequency

## Please provide the following:

1. Confirmation any additional source of funding
2. Cash flow projects for the next three years (supported by evidence based assumptions)
3. A summary of sources of funds (community contribution, grant aid etc)
4. Financial statements for the last three years
5. Bank statements for the group/society for the last 12 months
6. A signed and dated copy of your most recent accounts
7. VAT Registration Number Certificate (if appropriate)

## Please describe (if relevant) how surpluses are distributed:

## Marketing

Please give details of any marketing plans and objectives

## Market Analysis

Please give any details of market research that support the provision of the service

## Project Details

**Please set out details of individuals involved in the implementation and management of the project:**

**The amount of supporting material is determined by the amount of funding being applied for.**

1. Construction / supplier contract or quotation
2. Copy of planning permission if applicable
3. Drawings and plans
4. A full breakdown of costs.
5. Insurance Certificate (Building and Contents)
6. Primary Public and Products Liability Insurance Certificate

**PLEASE RETURN YOUR DOCUMENTATION AND COMPLETED FORM TO .....ETC**