



New Horizon Fund

Home Based Business Loan

The New Horizon Fund provides loans to Floridians with disabilities for the purpose of purchasing equipment necessary to increase their economic independence through home based employment by telecommuting for an employer, self employment, or microenterprise.

Applicant for loans through the New Horizon Fund must meet the criteria of being a qualified borrower and must be purchasing employment related assistive technology or equipment authorized by the New Horizon Fund. Additionally, applicants must meet any income and credit criteria established by the New Horizon Fund in order to obtain a loan.

A **Qualifying Borrower** is defined as any resident of Florida with a disability. Qualifying borrowers must demonstrate:

- 1) that the loan will be used to acquire assistive technology, services, or other equipment for the purpose of establishing a home based business or microenterprise opportunity, and
- 2) the ability to repay the loan.

Equipment may include, but is not limited to:	
Computers (with or without modifications)	Printers
Software	Fax Machines
Scanners	Office Machines
Telecommunication Devices and Services	Office Furniture
Home Office Modifications	Motor Vehicles
Assistive Technology	Manufacturing Equipment

Eligible Vehicles must meet the following criteria

4 years old or newer

50,000 miles or less

For vehicles that are not current year (2007) models, the New Horizon Fund will require a vehicle inspection from a mechanic.

The New Horizon Fund will not approve loan refinancing.

Grievance Policy: An applicant who is aggrieved by a decision of the Committee may petition the Committee for reconsideration. This petition can be communicated in writing or appropriate alternative format, and must provide additional documentation that addresses the stated reasons for denial. The Committee will:

1. Consider the new information;
2. Provide the applicant an opportunity to be heard; and
3. Inform the applicant of its decision in writing or appropriate alternative format within seven (7) days.

The decision of the Board will be final.



New Horizon Fund

Home Based Business Loan

Instructions

Before you begin, please be sure to read the entire application to make sure that you have all the required documentation.

To complete this application, you will need:

- Your driver's license or state issued identification card
- Your monthly bills and statements (for example, your utility bill, bank statements, etc.) and income verification as outlined below
- The estimated cost of the item(s) you would like to purchase
- The names and addresses of at least two alternate contact people

To apply for a New Horizon Fund Home Based Business Loan, you must provide a certified business plan.

You must provide verification for all income you are claiming on the budget worksheet on page 5 of this application. Proof of income includes the following items, depending on your status:

Required Income Verification Documentation

If you are employed	Two months worth of paystubs or bank statements showing at least two months of activity.
If you are self-employed	Completed tax returns for the previous two years
If you are receiving benefits of any kind	Benefit letter or bank statements showing at least two months of direct deposits of your benefits into your bank account
If you are a landlord	Copy of signed lease agreement(s) for all rental properties.
If you are retired	Documentation of monthly pension and/or retirement benefits, or at least two months of bank statements showing direct deposit of your monthly pension and/or retirement benefits into your bank account.

Mail completed application, all supporting documentation and a certified business plan to:

**New Horizon Fund
3333 West Pensacola Street, Suite 140
Tallahassee, Florida 32304**

If you need assistance in completing the application,
call the New Horizon Fund at 850-487-3278, ext.107 or 888-788-9216 ext.107 Fax 850-575-4216
E-mail: ktorrance@faast.org



New Horizon Fund

Home Based Business Loan

Borrower's Name: _____

Social Security Number: _____ - _____ - _____ Date of Birth: _____

Primary Language: English _____ Spanish _____ Other _____ Sex: _____

Race _____ White _____ Hispanic _____ African-American _____ Native Hawaiian

_____ American Indian or Alaskan Native _____ Pacific Islander _____ Asian Indian

_____ Asian _____ Other _____

Home Address: _____ City: _____

County: _____ State: FL Zip: _____ Phone# : _____

Drivers License #: _____ State and Date Issued: _____

Expiration Date: _____ OR Florida ID#: _____

Date of Issuance: _____ Date of Expiration: _____

Do you work for pay or profit? _____yes _____no If yes, circle one: Part Time Full Time

How would you describe your community? Urban _____ Suburban _____ Rural _____

Describe what you plan to purchase (including brand name / model).

Describe the disability as defined by ADA. (A physical or mental impairment that substantially limits one or more major life activities, a record of such an impairment, or being regarded as having such an impairment.)

Describe how the disability limits your ability to participate in traditional employment settings.

Explain how the equipment will help with your employment related outcome.

Item	Cost

The New Horizon Fund is authorized to check my credit and make all inquiries necessary to verify the accuracy of the information provided. Information obtained will be used to review and approve or deny the application for credit. By signing below, I authorize all persons inquired of to respond in full to the New Horizon Fund. I authorize you to answer questions about your credit experience with me. **Should the New Horizon Fund guarantee my loan and make a payment on my behalf, either partial or full, I understand that I am obligated to repay that amount of money to the New Horizon Fund .**

Applicant Signature: _____ Date: _____

Co-Applicant Signature: _____ Date: _____



New Horizon Fund

Home Based Business Loan

Budget Worksheet

Write each source of income in the boxes below:	Write each amount in the boxes below:
Source:	\$
Source:	\$
Source:	\$
Source:	\$
Monthly Household Expenses	
Monthly Rent/Mortgage	\$
Utilities (electricity, gas, water, cable, etc.)	\$
Food	\$
Insurance	\$
Prescriptions	\$
Medical supplies	\$
Telephone	\$
Monthly Vehicle expenses	
Car payment	\$
Vehicle insurance	\$
Gasoline	\$
Maintenance	\$
Monthly Recurring Debt	
Installment Loans	\$
Credit Cards	\$
Student Loans	\$

IS ENTREPRENEURSHIP FOR YOU? **(The following pages are for informational purposes only)**

In business, there are no guarantees. There is simply no way to eliminate all the risks associated with starting a small business - but you can improve your chances of success with good planning, preparation, and insight. Start by evaluating your strengths and weaknesses as a potential owner and manager of a small business. Carefully consider each of the following questions.

Are you a self-starter?

It will be entirely up to you to develop projects, organize your time, and follow through on details.

How well do you get along with different personalities?

Business owners need to develop working relationships with a variety of people including customers, vendors, staff, bankers, and professionals such as lawyers, accountants or consultants. Can you deal with a demanding client, an unreliable vendor, or a cranky receptionist if your business interests demand it?

How good are you at making decisions?

Small business owners are required to make decisions constantly - often quickly, independently, and under pressure.

Do you have the physical and emotional stamina to run a business?

Business ownership can be exciting, but it's also a lot of work. Can you face six or seven 12--hour work days every week?

How well do you plan and organize?

Research indicates that poor planning is responsible for most business failures. Good organization - of financials, inventory, schedules, and production - can help you avoid many pitfalls.

Is your drive strong enough?

Running a business can wear you down emotionally. Some business owners burn out quickly from having to carry all the responsibility for the success of their business on their own shoulders. Strong motivation will help you survive slowdowns and periods of burnout.

How will the business affect your family?

The first few years of business start-up can be hard on family life. It's important for family members to know what to expect and for you to be able to trust that they will support you during this time. There also may be financial difficulties until the business becomes profitable, which could take months or years. You may have to adjust to a lower standard of living or put family assets at risk in the short-term.

Startup Basics - First Steps

Starting and managing a business takes motivation and talent. It also takes research and planning. Although initial mistakes are not always fatal, it takes extra skill, discipline, and hard work to regain the advantage.

Take time beforehand to explore and evaluate your business and personal goals, then use this information to build a comprehensive and thoughtful business plan that will help you reach these goals.

Developing a business plan will force you to think through some important issues that you may not otherwise consider. Your plan will become a valuable tool as you set out to raise money for your business, and it will provide milestones to gauge your success.

Before starting out, list your reasons for wanting to go into business. Some of the most common reasons for starting a business are:

Self-management
Financial independence
Creative freedom
Full use of personal skills and knowledge

Next determine what business is right for you. Ask yourself these questions:

What do I like to do with my time?
What technical skills have I learned or developed?
What do others say I am good at?
Will I have the support of my family?
How much time do I have to run a successful business?
Do I have any hobbies or interests that are marketable?

Identify your business niche. Research and answer these questions:

What business am I interested in starting?
What services or products will I sell?
Is my idea practical, and will it fill a need?
What is my competition?
What is my business's advantage over existing firms?
Can I deliver a better quality service?
Can I create a demand for my business?

The final step before developing your plan is the pre-business checklist. You should answer these questions:

What skills and experience do I bring to the business?
What legal structure will I use?
How will my company's business records be maintained?
What insurance coverage will be needed?
What equipment or supplies will I need?
How will I compensate myself?
What are my resources?
What financing will I need?
Where will my business be located?
What will I name my business?

Your answers will help you create a focused, well-researched business plan that will serve as a blueprint for business operations, management, and capitalization. SBA offers a tutorial on preparing a solid plan.

Once you have completed your business plan, review it with a friend or business associate. When you feel comfortable with the content and structure, review and discuss it with your banker. The business plan is a flexible document that should change as your business grows.

Types of Business Organizations

When organizing a new business, one of the most important decisions to be made is choosing the structure of a business. Factors influencing your decision about your business organization include:

Legal restrictions
Liabilities assumed
Type of business operation
Earnings distribution
Capital needs
Number of employees
Tax advantages or disadvantages
Length of business operation

Types of Businesses

Sole Proprietorship

This is the easiest and least costly way of starting a business. A sole proprietorship can be formed by finding a location and opening the door for business. There are likely to be fees to obtain business name registration, a fictitious name certificate and other necessary licenses. Attorney's fees for starting the business will be less than the other business forms because less preparation of documents is required and the owner has absolute authority over all business decisions.

Partnership

There are several types of partnerships. The two most common types are general and limited partnerships. A general partnership can be formed simply by an oral agreement between two or more persons, but a legal partnership agreement drawn up by an attorney is highly recommended. Legal fees for drawing up a partnership agreement are higher than those for a sole proprietorship, but may be lower than incorporating. A partnership agreement could be helpful in solving any disputes. However, partners are responsible for the other partner's business actions, as well as their own.

A Partnership Agreement should include the following:

- Type of business.
- Amount of equity invested by each partner.
- Division of profit or loss.
- Partners compensation.
- Distribution of assets on dissolution.
- Duration of partnership.
- Provisions for changes or dissolving the partnership.
- Dispute settlement clause.
- Restrictions of authority and expenditures.
- Settlement in case of death or incapacitation.

Corporation

A business may incorporate without an attorney, but legal advice is highly recommended. The corporate structure is usually the most complex and more costly to organize than the other two business formations. Control depends on stock ownership. Persons with the largest stock ownership, not the total number of shareholders, control the corporation. With control of stock shares or 51 percent of stock, a person or group is able to make policy decisions. Control is exercised through regular board of directors' meetings and annual stockholders' meetings. Records must be kept to document decisions made by the board of directors. Small, closely held corporations can operate more informally, but record-keeping cannot be eliminated entirely. Officers of a corporation can be liable to stockholders for improper actions. Liability is generally limited to stock ownership, except where fraud is involved. You may want to incorporate as a "C" or "S" corporation.

Business Plan

The following outline of a typical business plan can serve as a guide. You can adapt it to your specific business. Breaking down the plan into several components helps make drafting it a more manageable task.

Introduction

- Give a detailed description of the business and its goals.
- Discuss the ownership of the business and the legal structure.
- List the skills and experience you bring to the business.
- Discuss the advantages you and your business have over your competitors.

Marketing

Discuss the products/services offered.
Identify the customer demand for your product/service.
Identify your market, its size and locations.
Explain how your product/service will be advertised and marketed.
Explain the pricing strategy.

Financial Management

Explain your source and the amount of initial equity capital.
Develop a monthly operating budget for the first year.
Develop an expected return on investment and monthly cash flow for the first year.
Provide projected income statements and balance sheets for a two-year period.
Discuss your break-even point.
Explain your personal balance sheet and method of compensation.
Discuss who will maintain your accounting records and how they will be kept.
Provide "what if" statements that address alternative approaches to any problem that may develop.

Operations

Explain how the business will be managed on a day-to-day basis.
Discuss hiring and personnel procedures.
Discuss insurance, lease or rent agreements, and issues pertinent to your business.
Account for the equipment necessary to produce your products or services.
Account for production and delivery of products and services.

Concluding Statement

Summarize your business goals and objectives and express your commitment to the success of your business.

Once you have completed your business plan, review it with a friend or business associate or a SCORE or Small Business Development Center (SBDC) counselor.

When you feel comfortable with the content and structure make an appointment to review and discuss it with your lender. The business plan is flexible document that should change as your business grows.

State Director's Office

401 East Chase Street, Suite 100
Pensacola, FL 32502

Assistance in finding a Small Business Development Center nearest you
(850) 473-7800

The National Entrepreneur Center

(407) 420-4848
315 East Robinson Street
Orlando, FL 32801

This material excerpted with permission from <http://www.sba.gov/sbdc/sbdcnear.html>