

# National Franchise Acceptance LLC

Financing for YUM! Brand Franchisees

## CREDIT APPLICATION

### Applicant Contact Information

Company Name:	Tax ID No.:		
Primary Office Address:			
City:	County:	State:	Zip Code:
Mailing Address (if applicable):			
City:	County:	State:	Zip Code:
Phone: (        )	Fax: (        )		
e-mail address:	Brand:		
Legal Structure: C-Corp [ ] S-Corp [ ] LLC [ ] Partnership [ ] other: _____ [ ]			
State of Formation:		Date Started:	
Total No. of Units:	Total No. of Employees:	Total Gross Revenue:	
Contact Person:	Phone: (        )	Fax: (        )	
Mobile: (        )	e-mail address:		

### Co-Applicant Contact Information (if applicable)

Company Name:	Tax ID No.:		
Primary Office Address:			
City:	County:	State:	Zip Code:
Mailing Address (if applicable):			
City:	County:	State:	Zip Code:
Phone: (        )	Fax: (        )		
e-mail address:	Brand:		
Legal Structure: C-Corp [ ] S-Corp [ ] LLC [ ] Partnership [ ] other: _____ [ ]			
State of Formation:		Date Started:	
Total No. of Units:	Total No. of Employees:	Total Gross Revenue:	

### Professional and Business Contacts

Attorney:	Phone: (        )
Accountant:	Phone: (        )
Insurance Agent:	Phone: (        )
Primary Banker:	Phone: (        )
Franchisor Contact:	Phone: (        )

# CREDIT APPLICATION

## Owner(s) Information

Owner: \_\_\_\_\_ Social Security Number: \_\_\_\_\_  
% Owned: \_\_\_\_\_ Position/Title: \_\_\_\_\_ Date Started in Position: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
Telephone Number: (\_\_\_\_\_) \_\_\_\_\_ Date of Ownership: \_\_\_\_\_

Owner: \_\_\_\_\_ Social Security Number: \_\_\_\_\_  
% Owned: \_\_\_\_\_ Position/Title: \_\_\_\_\_ Date Started in Position: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
Telephone Number: (\_\_\_\_\_) \_\_\_\_\_ Date of Ownership: \_\_\_\_\_

Owner: \_\_\_\_\_ Social Security Number: \_\_\_\_\_  
% Owned: \_\_\_\_\_ Position/Title: \_\_\_\_\_ Date Started in Position: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
Telephone Number: (\_\_\_\_\_) \_\_\_\_\_ Date of Ownership: \_\_\_\_\_

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% Owned: \_\_\_\_\_ Position/Title: \_\_\_\_\_ Date Started in Position: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
Telephone Number: (\_\_\_\_\_) \_\_\_\_\_ Date of Ownership: \_\_\_\_\_



## Categories Of Costs (for Construction Project Budget on preceding page):

### EQUIPMENT COSTS:

- 1) **Equipment Costs**: this includes all invoice costs associated with the cooking and kitchen equipment package; smallwares; point-of-sale terminals; software and other computer hardware; security systems; cooler/freezer modules; communications equipment; furniture (seating); interior furnishings; fixtures; wall hangings and decorations.
2. **Signage Costs**: including all freestanding signs; interior/exterior menu systems; entrance/exit signs and interior graphics package; also includes delivery, installation and taxes.

### REAL ESTATE COSTS:

- 3) **Land Costs**: includes purchase price of land
4. **Plan Development Costs**: includes architectural fees; engineering reports; surveys; permit/zoning fees; tap fees; impact fees; soils test; site plans; building plans; building permits; sign permits; use fees; and transfer taxes.
5. **Site Work Costs**: includes on-site work consisting of demolition; land clearance; staking; excavation and grading; curb and gutter; concrete pads and walks; approaches; asphalt paving; parking bumpers; lot striping; trash enclosure; fencing/screening; site electrical; site plumbing; supervision; and profit and overhead.
6. **Building Costs**: this includes the contractor's full stipulated sum amount per the building contract. Also, concrete; masonry; metals; rough and finish carpentry; thermal and moisture; mechanicals; electrical; supervision; and profit and overhead.
7. **Landscape**: this includes all on-site plantings; soil and irrigation.

### OTHER COSTS:

8. **Loan Closing Costs**: real estate appraisal fees; environmental reports; borrower and lender legal costs; disbursing company fees; lien searches; UCC and mortgage recording fees; mortgage taxes; title insurance and site inspection.
9. **Soft Costs**: all other costs not included in the above including such items as construction loan interest; broker fees and legal fees related to land purchase; franchise fees and liquor licenses.

**CREDIT APPLICATION**

**Offset & New Construction Demographics**

Population Statistics:

City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_

1 Mile Area: \_\_\_\_\_ 3 Mile Area: \_\_\_\_\_ 5 Mile Area: \_\_\_\_\_

Location Type:

Highway [ ] Store Front [ ] Artery [ ] Strip Center [ ] Mall [ ] Commercial [ ]

Traffic Count:

Breakfast: \_\_\_\_\_ Lunch: \_\_\_\_\_ Dinner: \_\_\_\_\_

**Offset & New Construction Sales Information**

If unit will be offset  
Existing Unit Sales:

Projected  
New Unit Sales:

Year 200\_\_ : \$ \_\_\_\_\_

Year 1 Projection: \$ \_\_\_\_\_

Year 200\_\_ : \$ \_\_\_\_\_

Year 2 Projection: \$ \_\_\_\_\_

LTM P\_200\_\_ : \$ \_\_\_\_\_

Year 3 Projection: \$ \_\_\_\_\_

Describe how sales are generated (i.e., drive through, lunch time traffic, school or pre-school children, etc.): \_\_\_\_\_

Describe plans to increase sales: \_\_\_\_\_

Provide any other information that may provide additional relevant information about the site and location: \_\_\_\_\_

Please provide the following information about major competitors within 2 miles of the site location:

Name: \_\_\_\_\_ Year Opened: \_\_\_\_\_ Distance: \_\_\_\_\_

Estimated Sales: \$ \_\_\_\_\_ Type of Operation: \_\_\_\_\_

Name: \_\_\_\_\_ Year Opened: \_\_\_\_\_ Distance: \_\_\_\_\_

Estimated Sales: \$ \_\_\_\_\_ Type of Operation: \_\_\_\_\_

**CREDIT APPLICATION**

**Loan Request Summary – FOR ACQUISITION / REFINANCING**

Real Estate

Number of Fee\* Sites being purchased / refinanced: \_\_\_\_\_

Number of Ground Lease\*\* sites being purchased / refinanced: \_\_\_\_\_

**Purchase amount of Real Estate (fee sites + Ground Lese sites):** \_\_\_\_\_

Furniture, Fixtures & Equipment

Total number of space lease sites being purchased / refinanced: \_\_\_\_\_

Franchise Fees / Transfer Fees: \_\_\_\_\_

**Total (Franchise Fees + Purchase amt of F,F&E and Business Value):** \_\_\_\_\_

Other Costs:

Working Capital: \_\_\_\_\_

Training Expenses: \_\_\_\_\_

Deposits: \_\_\_\_\_

Legal Expenses: \_\_\_\_\_

Closing Costs: \_\_\_\_\_

**Total Acquisition / Refinance Amount:** \_\_\_\_\_

\* The company will own land, building, and equipment at these locations

\*\* The company will own building and equipment at these locations

\*\*\*The company will own equipment only at these locations

**Loan / Equity Information**

	<u>Equity Source</u>	<u>Amount</u>
Loan Amount – Real Estate _____	Name: _____	_____
Loan Amount – Equipment _____	Name: _____	_____
Equity _____	Name: _____	_____



# CREDIT APPLICATION

## Existing Site and Unit Information

Attach additional sheets if necessary

Building Type: \_\_\_\_\_ Unit Number: \_\_\_\_\_  
Address: \_\_\_\_\_ County: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Lot Size: \_\_\_\_\_ square feet # of Parking Spaces: \_\_\_\_\_  
Dimensions of Unit: \_\_\_\_\_ square feet Seating Capacity: Inside \_\_\_\_\_ Outside: \_\_\_\_\_  
Drive Through:  Yes  No Year Built: \_\_\_\_\_ Year Renovated: \_\_\_\_\_

Building Type: \_\_\_\_\_ Unit Number: \_\_\_\_\_  
Address: \_\_\_\_\_ County: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Lot Size: \_\_\_\_\_ square feet # of Parking Spaces: \_\_\_\_\_  
Dimensions of Unit: \_\_\_\_\_ square feet Seating Capacity: Inside \_\_\_\_\_ Outside: \_\_\_\_\_  
Drive Through:  Yes  No Year Built: \_\_\_\_\_ Year Renovated: \_\_\_\_\_

Building Type: \_\_\_\_\_ Unit Number: \_\_\_\_\_  
Address: \_\_\_\_\_ County: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Lot Size: \_\_\_\_\_ square feet # of Parking Spaces: \_\_\_\_\_  
Dimensions of Unit: \_\_\_\_\_ square feet Seating Capacity: Inside \_\_\_\_\_ Outside: \_\_\_\_\_  
Drive Through:  Yes  No Year Built: \_\_\_\_\_ Year Renovated: \_\_\_\_\_

Building Type: \_\_\_\_\_ Unit Number: \_\_\_\_\_  
Address: \_\_\_\_\_ County: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Lot Size: \_\_\_\_\_ square feet # of Parking Spaces: \_\_\_\_\_  
Dimensions of Unit: \_\_\_\_\_ square feet Seating Capacity: Inside \_\_\_\_\_ Outside: \_\_\_\_\_  
Drive Through:  Yes  No Year Built: \_\_\_\_\_ Year Renovated: \_\_\_\_\_

**CREDIT APPLICATION**

**Representations and Information Authorization**

The undersigned hereby represents that the information included in this Application is true and correct as of the date shown below and that all of the information and documents regarding the applicant and the undersigned are true, complete and accurate. The undersigned also represents that no bankruptcy proceeding is expected or in progress.

In connection with evaluation and processing of the Application, the undersigned authorizes any of its banks, creditors, and/or third-party suppliers and contractors to release any and all information requested by National Franchise Acceptance LLC ("NFA") regarding the creditworthiness of the undersigned.

The undersigned also agrees that at any time during the application process and the term or any extension or renewal of the term of any outstanding loan to the undersigned that NFA will be authorized by the undersigned to obtain any information from YUM! regarding the creditworthiness of the undersigned and the status of the franchise agreement between YUM! and the undersigned. Each legal entity and individual undersigned on this Application hereby authorizes NFA to order and obtain, from a credit reporting agency of NFA's choice, a third party credit report on such legal entity and individual.

The undersigned hereby releases and holds harmless any of its banks, creditors, third-party suppliers and contractors, and YUM! from any and all claims and/or liability of any nature in connection with the release of such information in connection with the Borrower's application for credit facilities from NFA.

**Signature for the Company**

Applicant

Co-Applicant (if applicable)

\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Name of Entity

By: \_\_\_\_\_  
Signature and Title

By: \_\_\_\_\_  
Signature and Title

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Print Name and Title

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**Signature of all owners**

\_\_\_\_\_  
Sign Name

\_\_\_\_\_  
Sign Name

\_\_\_\_\_  
Print Name, Date

\_\_\_\_\_  
Print Name, Date

\_\_\_\_\_  
Sign Name

\_\_\_\_\_  
Sign Name

\_\_\_\_\_  
Print Name, Date

\_\_\_\_\_  
Print Name, Date

## **Credit Application Checklist**

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Please attach the following items to the credit application. This checklist is provided to assist in the full and accurate completion of your application for credit and will expedite the credit review process. Please call if you should have any questions before submission of the credit application. Any additional information that would assist NFA in the evaluation of your application may also be submitted.

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### **Annual Financial Statements**

- Prior 2 years of Federal Corporate Income tax returns, signed
- Last 3 calendar / fiscal years Income Statement for each restaurant unit to be evaluated
- Last 3 calendar / fiscal years of Internal and Reviewed Statements

### **Interim Financial Statements**

- Most recent interim Income Statement and Balance Sheet, not more than 60 days old, and including prior year comparable interim period for both total Company and individual restaurant units to be evaluated

### **Company Information**

- Organizational Structure
- Copy of any Lease Agreements, with amendments, for leased facilities to be financed
- Copies of Existing Mortgages for owned facilities to be financed
- Debt Schedule Summary on page 7 (may use own form if same information is provided)

### **YUM! Franchisor Related Information**

- Evidence of Franchisor Approval for Acquisitions
- Copy of Franchisor Site Information Package, if for new development
- Copy of Franchise Agreements, with assignments and/or amendments, for sites to be financed

### **Owner(s) Financial Information**

- Background Summary or Resume of Owner(s)
- Personal Financial Statement of each owner, signed
- Past two years of personal federal income tax returns of each owner, signed

### **Financing for Scrape and Rebuild, Offset, New Build, and Conversion Projects**

- Breakout of costs by purchase of real estate, equipment related costs, and building and site work (use NFA construction project budget template on page 3)
- Copies of Purchase and Sale Agreement and Letter of Intent for Real Estate and Offsets

### **Real Estate Financing**

- Environmental Questionnaire for Real Estate Financing (provide for each site to be financed)
- If available, copies of any old appraisals or Phase 1 reports (provide for each site to be financed)