

BUSINESS

RELIEF FOR SMALL BUSINESS OWNERS

New loan cuts paperwork, increases access to credit

RENO — Small businesses in need of capital, but lacking the expertise or time to complete complex loan documents, may get relief with a new, simplified line of credit from U.S. Bank.

In an effort to take the intimidation out of the lending process, U.S. Bank is one of the first lenders in the West to offer an application that does not require small businesses to complete detailed financial statements as part of the application review process.

Instead, the U.S. Simply Business Credit Line bases lending decisions primarily on an applicant's personal credit history, a plus for businesses that lack the financial expertise and established credit history of large companies.

"With the average car loan approaching \$20,000, it was time to re-evaluate our lending process to make it as easy for businesses to access credit as it is for consumers," said Kenneth G. Ladd, executive vice president and manager of U.S. Bank's

BankWest of Nevada posts increased earnings

BankWest of Nevada completed its first full calendar year of operation on December 31, 1995 with reported net earnings of \$943,839 or \$1.18 per share. This represents a return on assets of 11.76 percent and a return on equity of 11.76 percent.

The bank also reported strong fourth quarter 1995 earnings of \$372,880 or .46 cents a share compared with \$54,415 or .07 cents per share for the fourth quarter of 1994, an increase of 585 percent.

Larry Woodrum, president and chief executive officer, attributed the success of BankWest to the strong economy in Southern Nevada and the bank's strong commitment to the community by its founders, directors and staff.

BankWest, located on West Sahara Ave., specializes in serving small- to medium-sized businesses and professional accounts.

Commercial Services Group. "With U.S. Simply Business Credit Line, applicants don't have to jump through a lot of hoops or complete a lot of unnecessary paperwork to get a credit decision."

Business owners can apply for loans of up to \$35,000 by completing a simple, two-page

AT&T Wireless Services and McDonald's team up to offer 29¢ cellular phones

For the month of February, AT&T Wireless Services and McDonald's have teamed up to offer qualified customers a state-of-the-art AT&T 3810 cellular telephone and 29 days of free air-time for just 29¢ when they buy either a double cheeseburger or a sausage biscuit with egg at McDonald's.

"Because this is leap year, when February has 29 days, we thought we could bring in a real value tied to the number 29," said Danielle Day Huff of the Five Star Group, who put the project together. "We were

delighted when we were able to work out this outstanding offer between AT&T Wireless Services and McDonald's."

"This is a great opportunity from two great leaders," said Clark Peterson, director of marketing for AT&T Wireless Services. "Cellular phones are no longer just a status symbol for the elite. They are a tool that almost everyone has a need for. So we're pleased to market them

Supplier Opportunity Fair '96 Scheduled

The National Association of Purchasing Management of Southern Nevada in conjunction with the Public Purchasing Professionals will host their 4th "Annual Supplier Opportunity Fair '96" March 13, 1996, at Cashman Field Center, 850 Las Vegas Blvd. in North Las Vegas, rooms 103-108, from 9 a.m. to 4 p.m.

Over 50 purchasing/contracting professionals from Federal, State, Local Governmental entities, hotels/casinos, and utility companies will be on hand to discuss upcoming bids, requests for quotes, etc. If you are a business

owner, this is your opportunity to meet representatives responsible for a large majority of their organization's purchases.

In addition, there will be concurrent breakout sessions on "Doing Business with the Public Sector" and "Doing Business with the Private Sector." Small, minority, and women-owned businesses are strongly encouraged to attend. This is an opportunity you don't want to miss.

Donations are \$10 per person or \$25 per company. For further information, contact Nanette Creech at 455-2426 or Wayne Wedlow at 229-6140.

term loans with payments that fit their cash flow.

For instance, a borrower could have a term loan of \$5,000, while still having access to a revolving credit line of \$10,000 for business operations. Plus, once a loan is approved, the borrower never has to reapply to access the same credit line.

"February may be the shortest month of the year," Huff added, "but AT&T Wireless Services and McDonald's are going to make it a great month for their customers."

Real Estate Perspective



By Loretta Arrington Hall

Affordability should be the first question when considering purchasing a home

How much house can you afford should be the first question that home buyers must ask. Whether they are considering a condo, a single-family home, a new home or a resale, home buyers must figure out a price range that makes sense for their budget. Roughly speaking, you can afford to buy a house that is about three times your gross annual income. But more precisely, the price you can afford to pay for a home will depend on six factors: 1) your income; 2) the amount of cash you have available for the down payment, closing costs and cash reserves required by the lender; 3) your outstanding debts; 4) your credit history; 5) the type of mortgage you select, and 6) current interest rates.

To qualify for a home loan you must have good credit. Assuming you do, a lender will then analyze your income in relation to your projected cost of home ownership and your outstanding debts to determine the size of the loan you can afford. Lenders are interested in two ratios: the housing expense-to-income ratio and the overall debt-to-income ratio. Your housing expense-to-income ratio is determined by calculating your projected monthly housing expenses. That expense consists of the principle and interest payment on your new home loan, property taxes and hazard insurance.

The sum of these costs is referred to as "PITI." A mortgage broker or real estate agent can help you arrive at the PITI figure. The projected PITI is then divided by your gross monthly income (your income before taxes are deducted). Let's say your gross annual income is \$50,000, or \$4,167 per month (your annual income divided by months). If your projected PITI is \$1,300, your housing expense-to-income ratio would be 31% (\$1,300 divided by \$4,167). Your overall debt-to-income ratio is determined by adding your monthly housing expense figure to the amount you pay per month on outstanding debts and then dividing the figure by your gross monthly income.

For instance, if your only outstanding debts are a car loan on which you pay \$125.00 per month and a student loan on which you pay \$75.00 a month, your debt-to-income ratio using the above example will be 36%. (Add \$125.00 and \$75.00 to \$1,300.00 for an overall monthly debt figure of \$1,500.00. Divide \$1,500.00 by \$4,167, your gross monthly income). If your loan agent tells you your ratios are 31/35, this housing-to-income ratio is 31% and your debt-to-income ratio is 35%.

Your housing expense-to-income ratio should fall in the 28% to 33% range, although some lenders will go higher under certain circumstances. Your total debt-to-income ratio should be in the 34% to 38% range. Your ratios limit the size of the loan a lender will give you. This loan amount added to the cash you have for a down payment (after subtracting about 4% or so of the loan amount for closing costs) will give you the approximate price of the home you can most likely afford.

As always, contact a Licensed Real Estate Professional for all your real estate needs or contact me, Loretta Arrington Hall, c/o REAL ESTATE PERSPECTIVE, Las Vegas Sentinel-Voice newspaper, 900 East Charleston Boulevard, Las Vegas, Nevada 89104, or call (702) 457-4623; Fax (702) 457-0144.

Loretta Arrington Hall, Owner/Broker, Arrington & Associates Real Estate Company.

Black Tavern Owners & Retail Beverage Association

presents

ROUND ROBIN

Free Libation

Free Hors D'oeuvres
6 pm • Tuesday, February 20th
Seven Seas Restaurant & Lounge
808 W. Lake Mead • 646-4688

Law Firm of Smith & Williams

ATTORNEY AT LAW



TIMOTHY C. WILLIAMS

Timothy Williams is a member of the Nevada & Illinois State Bar, practicing primarily in personal injury cases.

COMBINED 27 YEARS OF LEGAL EXPERIENCE

EMPHASIS ON PERSONAL INJURY CASES

- Automobile Accidents
- Motorcycle Accidents
- Slips & Falls
- Wrongful Death
- Dog Bites
- Pedestrian & Other Bodily Injuries
- Medical Malpractice

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Neither the State Bar of Nevada nor any agency of the State Bar has certified any lawyer identified here as a specialist or expert. Anyone considering a lawyer should independently investigate the lawyer's credentials and ability.