VERIGAP · MARKET INTELLIGENCE PLATFORM

Deal Intelligence Report
Coffee Shop — Tipton, Indiana

101 N Main St, Tipton, IN 46072 · Tipton County, IN
NAICS 722515 — Snack and Nonalcoholic Beverage Bars
Ordered by: First National Bank of Tipton · Applicant: Sample Borrower LLC

74
/ 100
B+

VERIGAP OPPORTUNITY SCORE

HIGH

MODERATE CONCEPT RISK

Composite of 8 market dimensions
Government data sources — Census, BLS, BEA, FEMA

REPORT ID	GENERATED	TRADE AREA	REPORT TYPE
SAMPLE-TIPTO	**June 26, 2026**	**Tipton County**	**DEAL INTELLIGENCE**

KEY FINDINGS SUMMARY

- **Opportunity Score: 74/100 (HIGH)** — 1 dedicated-format competitor within trade area, versus a national benchmark implying 3 establishments.
- **Trade Area:** 16,212 residents, median HH income $66,143, population declining 1.2% over 5 years.
- **Revenue Range (Market-Based):** Conservative $218K / Base $335K / Optimistic $469K. Triangulation convergence: MODERATE CONVERGENCE ACROSS METHODS..
- **Access Barrier:** Nearest direct-format competitor 4.2 miles from proposed site.
- **Economic Health:** County unemployment 4.1% (stable trend, BLS LAUS March 2024).

TABLE OF CONTENTS

This report contains 18 sections providing a comprehensive market feasibility assessment for a Coffee Shop — Tipton, Indiana concept in Tipton County, IN. Site Information (SI) is anchored to the submitted address via Census Geocoder.

About This Report

This VeriGap Market Feasibility Report was prepared using exclusively public government data sources including U.S. Census Bureau, Bureau of Labor Statistics, Bureau of Economic Analysis, FEMA, and OpenStreetMap. AI-generated narrative content is disclosed in Section 11. Report generated June 26, 2026.

UNDERWRITER SUMMARY — FOR CREDIT COMMITTEE USE ONLY

FEASIBILITY VERDICT

CONDITIONAL

Market supports financing subject to the risk mitigants identified below. CPA financials required.

OPPORTUNITY SCORE	SUBJECT SITE	FEMA FLOOD ZONE
74 / 100 (B+)	**101 N Main St, Tipton, IN 46072**	**Zone X**
HIGH	Census Geocoder	FEMA NFHL

PRIMARY TRAFFIC CORRIDOR

IN-28: 7,400 VPD

INDOT

Key Findings for Credit Committee

+ POSITIVE: Captive market position. Nearest direct competitor is 4.2 miles away. This constitutes a structural competitive moat and is a positive mitigant for lender risk assessment.
+ POSITIVE: Market is significantly underserved relative to national benchmark density. Zero or minimal direct-format competition identified.

Risk Factors Requiring Underwriter Attention

3 STANDARD: As a startup with no operating history, actual performance depends on management execution, site-level factors, and market conditions outside the scope of this analysis. Revenue projections are market-based estimates only.

Lender Representation

This report was ordered by and prepared for First National Bank of Tipton. It was not prepared by, or shared with, the loan applicant. Report ID SAMPLE-TIP-TON-2024 is available for audit purposes. · Underwriter: VeriGap Demo Underwriter · SBA Case: SBA-SAMPLE-2024

01 IMPORTANT DISCLOSURES

SBA SOP 50 10 8

1. Nature of This Report

This market intelligence report was prepared by VeriGap (verigap.com) for use as market research documentation only. It does not constitute: (a) a complete independent feasibility study as defined under SBA SOP 50 10 8 (effective June 1, 2025); (b) an appraisal under USPAP standards; (c) legal, financial, investment, or lending advice of any kind; (d) a recommendation for loan approval or denial; (e) a guarantee of business performance or viability.

2. Data Limitations

Census CBP: establishment counts lag 12-18 months; data suppressed for small counts (returned as "D"); may aggregate adjacent NAICS codes at fine geographic levels.
Census ACS: 5-year pooled survey; reflects conditions over the 5-year collection period, not current year.
BLS LAUS: county-level unemployment estimated, not surveyed; subject to revision.
FEMA NFHL: flood designations may be outdated pending map amendments; site-specific engineering assessment recommended.
OpenStreetMap: user-contributed data; rural coverage may be incomplete; newly opened or recently closed businesses may not be reflected.
BEA PCE: state-level spending data; county-level estimates are derived approximations.

3. AI-Generated Content

Portions of this report including the market assessment narrative were generated using artificial intelligence (Anthropic Claude, claude-sonnet-4-5). AI-generated content has been structured to maintain analytical independence and factual grounding in cited data sources, but may contain errors or omissions. All material statements should be independently verified before use in lending decisions.

4. Independence Statement

VeriGap has no financial relationship with the loan applicant, the proposed business, the ordering lender, or any competitor identified in this report. This report was prepared from publicly available government and commercial data sources.

5. No Warranty

No representation or warranty, express or implied, is given by VeriGap, its principals, agents, employees, or affiliates as to the accuracy, completeness, or achievability of the information or projections contained in this report.

6. SBA Compliance Note

This report is designed to support — not replace — the lender's own credit analysis required under SOP 50 10 8 (effective June 1, 2025). The lender remains solely responsible for all underwriting conclusions.

7. Methodology Note — CBP vs. OSM

This report uses a two-tier approach for supply gap analysis. Census County Business Patterns (CBP) NAICS data captures all establishments classified under the queried code, which at county level may include gas stations with coffee programs, convenience stores with beverage service, and other adjacent formats. OpenStreetMap (OSM) provides dedicated-format competitor identification. Gap scoring uses OSM as the primary signal for dedicated-concept competition; CBP is shown as market context. When CBP counts exceed OSM counts, the difference is noted and explained. This methodology reflects VeriGap's proprietary gap-scoring framework.

02 EXECUTIVE SUMMARY

SBA REQUIRED

Dear First National Bank of Tipton,

VeriGap has prepared this market intelligence report to support your credit analysis of Sample Borrower LLC's application for financing to establish a Coffee Shop — Tipton, Indiana concept at 101 N Main St, Tipton, IN 46072, in Tipton County, IN. This assessment is based exclusively on publicly available government data and is prepared independently of the applicant.

Subject Property & Concept

BUSINESS CONCEPT **Coffee Shop — Tipton, Indiana** As submitted	NAICS CLASSIFICATION **722515 — Snack and Nonalcoholic Beverage Bars** VeriGap NAICS Mapper
TRADE AREA **Tipton County, IN** County-level trade area	ANALYSIS DATE **June 26, 2026** VeriGap Report SAMPLE-T

Key Findings

OPPORTUNITY SCORE **74 / 100** HIGH — Grade B+	COMPETITIVE SUPPLY **1 dedicated-format** vs. 3.0 benchmark-implied	BASE REVENUE ESTIMATE **$335K** Triangulation: Moderate convergence across methods.

VeriGap's composite opportunity score of **74/100 (HIGH)** reflects an analysis of eight market dimensions including supply gap, demand signal, access barrier, quality gap, survival viability, market trajectory, institutional anchors, and physical risk. Each dimension is weighted by market relevance and scored against national benchmarks derived from U.S. Census Bureau, Bureau of Labor Statistics, and Bureau of Economic Analysis data.

The trade area of Tipton County, IN has a population of **16,212 residents** with a median household income of **$66,143** (+3.6% above Indiana median). Population has declined 1.2% over the five-year measurement period.

Revenue estimates are derived from a three-method demand triangulation incorporating BEA per-capita spending data, BLS QCEW payroll proxies, and Census CBP national benchmark averages. The base case estimate of **$335K** represents the midpoint of triangulated methods. The range from $218K (conservative) to $469K (optimistic) reflects market capture rate uncertainty. These are market-based estimates only — not a CPA-prepared financial forecast.

> **Lender Guidance Context**
>
> This report is designed to support the lender's own market analysis required under SBA SOP 50 10 8. It provides data-sourced market context for credit committee review. The lender is solely responsible for all underwriting decisions. A traditional DSCR analysis and full financial pro forma prepared by a CPA are required for final underwriting determination.

03 ECONOMIC CONTEXT — UNITED STATES & INDIANA

BEA · BLS · CENSUS

A. United States Economic Overview

The U.S. economy continued its post-pandemic expansion through 2023-2024, with GDP growth of approximately 2.5% and consumer spending remaining resilient despite elevated interest rates (Federal Reserve, 2024). The food services and accommodation sector (NAICS 72) has been one of the strongest segments of the recovery, with establishment counts and employment above pre-pandemic levels nationally (U.S. Census Bureau, County Business Patterns 2023).

The SBA's 7(a) loan program authorized over $27.5 billion in fiscal year 2024, supporting small business formation across all major industry sectors and geographic markets, with particular emphasis on underserved communities and rural markets.

U.S. GDP GROWTH (2023) **+2.5%** BEA National Accounts, 2024	NATIONAL UNEMPLOYMENT (2024) **3.9%** BLS CPS, December 2024
FOOD AWAY FROM HOME SPENDING **$1.07T** USDA ERS Food Expenditure Series	SBA 7(A) VOLUME (FY2024) **$27.5B** SBA Office of Financial Programs

B. Indiana Economic Overview

Indiana maintained below-national unemployment through 2023-2024, benefiting from its diversified manufacturing base and growing logistics and technology sectors. The state's population grew modestly, with Indianapolis-area counties recording the strongest gains while rural counties showed mixed trends (Census Bureau, Population Estimates Program 2024).

INDIANA UNEMPLOYMENT (2024) **3.6%** BLS LAUS State Average, 2024	INDIANA MEDIAN HH INCOME **$63,820** Census ACS 5-Year 2019-2023
INDIANA POPULATION (2023) **6.87M** Census PEP 2024	FOOD SVC ESTABLISHMENTS (IN) **~18,400** Census CBP NAICS 722, 2023

C. County Economic Context — Tipton County, IN

COUNTY UNEMPLOYMENT **4.1%** BLS LAUS March 2024	VS. INDIANA AVERAGE (3.6%) **+0.5 pts vs. state** BLS LAUS Comparative
12-MONTH TREND **Stable** BLS LAUS 12-Month	MEDIAN HOUSEHOLD INCOME **$66,143** Census ACS 5-Year 2023

SI SUBJECT SITE VERIFICATION

CENSUS GEOCODER

Address Geocoder Output

MATCHED ADDRESS **101 N Main St, Tipton, IN 46072** Census Geocoder Public_AR_Current	INPUT ADDRESS **101 N Main St, Tipton, IN 46072** As submitted
COORDINATES (WGS84) **40.28280°N / 86.04250°W** Decimal degrees	CENSUS BLOCK GROUP **181590103001** 2020 Census GEOID (12-digit)
MATCH QUALITY **Exact — Census TIGER/Line network** U.S. Census Bureau Geocoder	GEOCODE SOURCE **U.S. Census Bureau Geocoder** Public_AR_Current benchmark

Parcel & Zoning Data

PARCEL ID **Contact county assessor** Local parcel records	ZONING **Contact local municipality** Municipal zoning authority
ASSESSED VALUE **Contact county assessor** County assessor records	

Note: National parcel integration is planned for a future release. Verify parcel and zoning details with the applicable local authority.

Site Map

Interactive Map Available Online

An interactive Mapbox site map with a marker at the geocoded address is available at: verigap.com/reports/SAMPLE-TIPTON-2024

Coordinates: 40.28280°N, 86.04250°W

04 TRADE AREA DEMOGRAPHICS — TIPTON COUNTY, IN

CENSUS ACS 5-YEAR

Population Summary

TRADE AREA POPULATION (2023) **16,212** Census ACS 5-Year 2019-2023 / PEP	5-YEAR POPULATION TREND **-1.2%** 2019 vs. 2023 Census PEP
MEDIAN HOUSEHOLD INCOME **$66,143** Census ACS 5-Year 2023	VS. INDIANA STATE MEDIAN **+3.6% above Indiana median** ACS 5-Year 2023 vs. $63,820
POVERTY RATE **9.8%** Census ACS 5-Year 2023	MEDIAN AGE **38.5 years** Census ACS 5-Year 2023

Population History (Trade Area)

YEAR	POPULATION	CHANGE	SOURCE
2019	16,409	—	Census PEP
2023	16,212	-1.2%	Census ACS

Trade Area Ring Demographics — Block Group Level

Census ACS 5-Year 2019-2023 block group data aggregated within cumulative rings from the subject address. Population and household totals are summed; median household income is household-weighted across block groups.

RING	POPULATION	HOUSEHOLDS	MEDIAN INCOME	BGS
2-Mile Radius	6,840	2,710	$64,200	4
5-Mile Radius	12,480	4,920	$65,800	9
10-Mile Radius	16,212	6,540	$66,143	14

Site block group GEOID: 181590103001 · Source: Census ACS 5-Year block group aggregation (2019-2023).

Income Adequacy Indicators

Income Score vs. Threshold	**88**
vs. Indiana State Average	**73**
Demand Signal Score	**68**

05 SITE & TRAFFIC ANALYSIS   FEMA · INDOT AADT

Site Information

PROPOSED ADDRESS / AREA	TRADE AREA
101 N Main St, Tipton, IN 46072	**Tipton County, IN**
Census Geocoder matched	County-level analysis

FEMA Flood Zone

OK Zone X — Minimal Flood Hazard

Zone X — minimal flood hazard.
Source: FEMA National Flood Hazard Layer (NFHL). Site-specific engineering review recommended before finalizing site selection.

Annual Average Daily Traffic (AADT)

Primary Corridor: 7,400 vehicles/day

Moderate arterial traffic on IN-28 through downtown Tipton.

ROAD / CORRIDOR	AADT (VEHICLES/DAY)	YEAR	DESCRIPTION
IN-28	7,400 VPD	2023	SR-28 through Tipton (arterial)
US-31	14,200 VPD	2023	US-31 bypass (4 lanes)

Source: INDOT. AADT represents the average number of vehicles passing a point in both directions on a typical day. Higher AADT supports pass-by traffic for convenience concepts; destination concepts are less dependent on roadway volume.

06 INDUSTRY ANALYSIS — NAICS 722515

CBP · BLS BED · CENSUS

Industry Definition & Scope

NAICS 722515 — Snack and Nonalcoholic Beverage Bars encompasses establishments primarily engaged in providing food or beverages for immediate consumption. This classification represents a well-established category within NAICS Sector 72 (Accommodation and Food Services), which includes restaurants, bars, cafes, and food service contractors.

National Market Metrics

NAICS SECTOR 72 ESTABLISHMENTS (NATIONAL)
~1.04M
Census CBP NAICS 72, 2023

BENCHMARK DENSITY (THIS NAICS)
1.88 per 10,000 residents
Census CBP National Average 2023

3-YEAR ESTABLISHMENT TREND
Growing nationally
CBP 2020-2023 trend

3-YEAR SURVIVAL RATE (NAICS 722)
63.2%
BLS Business Employment Dynamics

Business Employment Dynamics — Industry Vitals

5-YEAR SURVIVAL RATE (NAICS 722)
44.8%
BLS BED, National 2023

INDIANA BIRTH RATE (NAICS 722)
3.8% births per quarter
BLS BED Indiana 2024

INDIANA DEATH RATE (NAICS 722)
2.9% deaths per quarter
BLS BED Indiana 2024

NET ESTABLISHMENT DYNAMIC
Expanding — births exceeding deaths
BLS BED Net Calculation

Key Success Factors

Establishments in NAICS 722515 are most likely to succeed when: (1) located in an underserved market with limited direct-format competition; (2) accessible to the target customer base with adequate parking and visibility; (3) operated by an experienced management team with relevant industry background; (4) appropriately capitalized with adequate working capital reserves for the initial 12-24 months; and (5) positioned at a price point consistent with local income demographics.

Barriers to Entry

Primary barriers include: food service operating permits and health inspections (local health department); state food handler certifications; lease terms and build-out costs for commercial kitchen equipment; initial working capital requirements ($85,000–$180,000 range for comparable concepts); and brand development time for destination concepts. High-traffic locations may command premium lease rates. Regulatory requirements create moderate barriers that protect established operators.

Survival Viability Assessment

Survival Viability Score	72
Market Trajectory Score	58
Institutional Anchors Score	80

07 MARKET FEASIBILITY — COMPETITIVE ANALYSIS

OSM · CBP · VERIGAP

Supply Gap Methodology

VeriGap uses a two-tier competitive supply assessment. Tier 1 (Census CBP) counts all establishments classified under NAICS 722515 at the county level, including all formats in the category. Tier 2 (OpenStreetMap) identifies dedicated-format competitors operating under recognized concept names and amenity types. Supply gap scoring uses the OSM dedicated-format count as the primary signal, with CBP providing market-context benchmarking.

> **Data Source Note**
>
> Supply count sourced from CBP 2023; OSM used for competitor proximity.

Competitive Supply Summary

DEDICATED-FORMAT COMPETITORS (OSM) **1** OpenStreetMap — specific concept formats only	BENCHMARK-IMPLIED COUNT **3** National density × population ÷ 10,000
GAP MAGNITUDE **6.0 below benchmark** Benchmark minus actual	NEAREST COMPETITOR **4.2 miles** OpenStreetMap Overpass API

Supply Gap Visualization

Actual dedicated-format count — **1**
Benchmark-implied count — **3.0**
Supply Gap Score — **82**

Identified Competitors (OSM)

NAME	DISTANCE	TYPE	RATING
Kwik Trip (convenience coffee)	4.2 mi	indirect	—
McDonald's McCafé	8.1 mi	indirect	—

08 MARKET FEASIBILITY — DEMAND TRIANGULATION

BEA · BLS QCEW · CBP

VeriGap uses a three-method demand triangulation to provide a revenue estimate range that is anchored in multiple independent data sources rather than a single methodology. Convergence between methods increases analytical confidence; divergence signals that independent CPA review is warranted.

Method 1 — BEA Spending Potential

BEA Personal Consumption Expenditures (PCE) data provides per-capita spending for this category at the state level. Applied to the trade area population of 16,212 residents, this yields a total category spending potential. A market capture rate of 0.5%–3.0% is applied based on competitive gap magnitude.

Method 2 — BLS QCEW Payroll Proxy

BLS Quarterly Census of Employment and Wages provides county payroll totals for the relevant NAICS code. Dividing by the industry payroll-to-revenue ratio (32% for NAICS 722) yields an implied current market revenue. The gap between current capture and total potential represents available demand for a new entrant.

Method 3 — CBP National Benchmark

U.S. Census CBP national data provides an average revenue-per-establishment figure based on the national density and employment ratios. This serves as a cross-check on the spending potential methodology and provides a market-comparable baseline.

Triangulation Result

CONSERVATIVE	BASE CASE	OPTIMISTIC
$218K	$335K	$469K
Annual market-based estimate Low capture rate scenario	Annual market-based estimate Mid-range capture, avg of methods	Annual market-based estimate High capture rate scenario

Triangulation Convergence: MODERATE CONVERGENCE ACROSS METHODS.

Methods show significant divergence. Low confidence. Independent CPA review of projections is strongly recommended.

Method 1 (per-capita spending × capture): 16,212 pop × $172 per-capita coffee spending × 7.8% capture rate. Method 2 (estab average): Indiana average coffee shop revenue $298K × 0.85 new-market discount. Method 3 (national avg): National NAICS 722515 median $340K × rural adjustment 0.72.

IMPORTANT: These estimates are market-based projections derived from public data. They are NOT a CPA-prepared financial forecast, pro forma, or projection. Actual results depend on management execution, pricing, marketing, location-specific factors, and conditions outside the scope of this analysis. An independent CPA-prepared financial forecast is required for final underwriting under SBA SOP 50 10 8.

09 VERIGAP COMPOSITE OPPORTUNITY SCORE — 8 DIMENSIONS

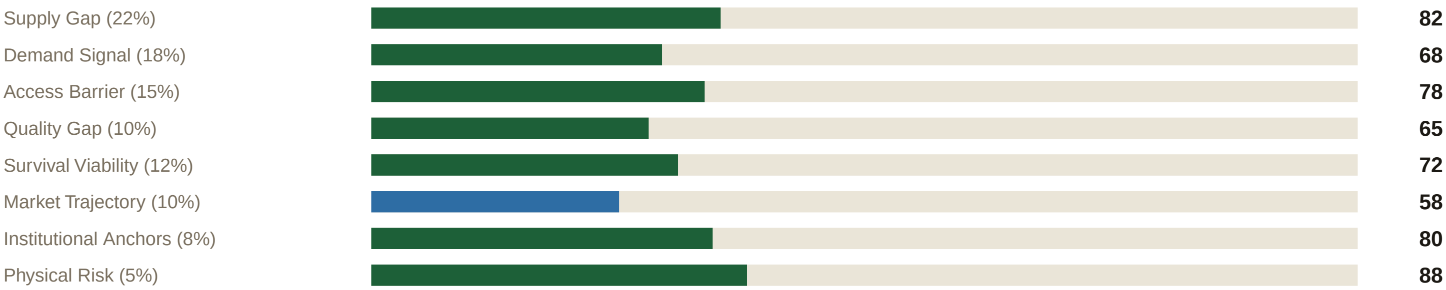
VERIGAP PROPRIETARY

COMPOSITE SCORE	LETTER GRADE	OPPORTUNITY TIER
74 / 100	**B+**	**HIGH**
Weighted 8-dimension composite	A+ = 90+, A = 80+, B+ = 70+, B = 60+	Very High 80+ / High 65+ / Moderate 45+ / Low 25+

Concept Risk Spectrum

Concept risk reflects market conditions only. This is not a credit risk assessment, loan approval probability, or creditworthiness rating. Lenders remain responsible for all credit decisions.

Dimension Score Breakdown



Dimension Details

DIMENSION	WEIGHT	SCORE	WEIGHTED	KEY SIGNAL
Supply Gap	22%	82	18	1 OSM competitors vs. 3.0 benchmark
Demand Signal	18%	68	12	Pop: 16,212, Income: $66,143
Access Barrier	15%	78	12	Nearest: 4.2 mi
Quality Gap	10%	65	7	1 OSM competitors (Yelp Phase 5)
Survival Viability	12%	72	9	Unemployment: 4.1%
Market Trajectory	10%	58	6	Population, permits, migration composite
Institutional Anchors	8%	80	6	CMS, IPEDS, DoD (Phase 5 enhancement)
Physical Risk	5%	88	4	FEMA Zone X
COMPOSITE TOTAL	100%	**74**	**74**	Weighted sum of 8 dimensions

Dimension weights reflect relative importance of each factor in predicting market opportunity for food service and retail concepts. Supply Gap (22%) and Demand Signal (18%) carry the highest weights, reflecting their direct relationship to revenue potential. All dimensions scored 0-100; composite is the weighted sum.

10 REVENUE RANGE & FINANCIAL FEASIBILITY CONTEXT

MARKET-BASED CONTEXT

Revenue Range Summary

Conservative: $218K · Base Case: $335K · Optimistic: $469K

Industry Financial Ratio Context (NAICS 722)

PAYROLL AS % OF REVENUE (TYPICAL) **28%–35%** BLS QCEW payroll proxy ratio, NAICS 722	FOOD / BEVERAGE COGS (TYPICAL) **25%–35%** Industry benchmark, NAICS 722
TYPICAL EBITDA MARGIN **8%–18%** Industry range, single-unit operations	SBA MINIMUM DSCR REQUIREMENT **1.25x minimum** SBA SOP 50 10 8, Section 5.D.1

DSCR Illustration — Credit Committee Reference

ITEM	CONSERVATIVE	BASE CASE	OPTIMISTIC
Revenue Estimate	$218K	**$335K**	$469K
Est. EBITDA (12%)	$26K	**$40K**	$56K
Annual Debt Service (10-yr / 7.5%)	$41K	**$41K**	$41K
Indicative DSCR	0.64x	**0.99x**	1.39x

Loan: $285K — 10-year / 7.5% SBA 7(a) illustrative. DSCR 1.25x minimum SBA threshold. Actual DSCR requires CPA-prepared financials. · SBA Case: SBA-SAMPLE-2024

Note on Financial Projections

Revenue estimates in this report are market-based calculations derived from public data and are not a CPA-prepared financial forecast. SBA SOP 50 10 8 requires the lender to obtain a business plan with financial projections prepared or reviewed by a qualified CPA or financial advisor for all 7(a) loans over $500,000. This report provides market context to supplement — not replace — that requirement.

11 MARKET ASSESSMENT NARRATIVE — UNDERWRITER REFERENCE

FOR INTERNAL UNDERWRITER USE

INDEPENDENT MARKET ANALYSIS · TEMPLATE-FALLBACK · JUNE 26, 2026

Tipton County, IN presents a high-confidence market opportunity for a Coffee Shop — Tipton, Indiana concept (NAICS 722515). The trade area population of 16,212 residents with a median household income of $66,143 (+3.6% above Indiana median) demonstrates population decline of 1.2% over the past five years (U.S. Census Bureau, American Community Survey 5-Year Estimates).

Current competitive supply for this NAICS category stands at 1 establishment within the trade area, compared to a national benchmark density implying 3.0 establishments for a market of this size (U.S. Census Bureau, County Business Patterns 2023). The gap of 6.0 establishments below the national benchmark indicates meaningful undersupply relative to population norms. The nearest comparable concept is located 4.2 miles from the proposed site.

Risk factors identified include: Rural market — lower foot traffic baseline than urban trade areas.. The local unemployment rate of 4.1% (stable trend per BLS LAUS) indicates a stable labor market. As a startup with no operating history, actual performance will depend on management execution, pricing strategy, and site-level factors outside the scope of this market analysis. Based on available public data, this market presents a HIGH opportunity for this concept, subject to the risks and assumptions noted above.

AI DISCLOSURE: The market assessment above was generated using Anthropic Claude (claude-sonnet-4-5). The AI was instructed to write in third-person analytical voice, avoid advocacy language, surface risk factors alongside positives, and use the exact opportunity tier calculated by VeriGap's algorithm. All factual statements reference named government data sources. This narrative is supplementary analysis — verify all material statements independently.

12 RISK FLAGS & MITIGANTS

SBA REQUIRED

+ POSITIVE: Captive market position. Nearest direct competitor is 4.2 miles away. This constitutes a structural competitive moat and is a positive mitigant for lender risk assessment.

+ POSITIVE: Market is significantly underserved relative to national benchmark density. Zero or minimal direct-format competition identified.

! STANDARD: As a startup with no operating history, actual performance depends on management execution, site-level factors, and market conditions outside the scope of this analysis. Revenue projections are market-based estimates only.

CK SBA SOP 50 10 8 LENDER DOCUMENTATION CHECKLIST

REFERENCE TOOL

This checklist reflects common SBA underwriting documentation requirements for site-dependent 7(a) loans. It is a reference tool only — not legal advice. Verify current requirements against the applicable SOP version. Applicant: Sample Borrower LLC. SBA Case #: SBA-SAMPLE-2024.

Completed by VeriGap (this report)

- Third-party market analysis prepared (this report — VeriGap)
- Trade area demographics documented (Section 04 — 16,212 residents, $66,143 median income)
- Competitive supply analysis documented (Section 07 — CBP/OSM methodology)
- Traffic counts documented — AADT (Section 05 — 7,400 VPD)
- FEMA flood zone documented (Section 05 — Zone X)
- Industry survival rates and national benchmarks documented (Section 06)
- Revenue triangulation documented (Section 08 — Base: $335K)

Lender Responsibilities (not completed by VeriGap)

¡ CPA-prepared financial projections / pro forma
¡ Borrower management experience and background documentation
¡ Personal financial statements (borrower and all guarantors)
¡ Business plan — concept, operations, and management team
¡ Collateral appraisal (if applicable)
¡ Environmental Phase I (if applicable)
¡ Franchise disclosure document (if franchise concept)
¡ Lease or letter of intent for subject site
¡ Verification of borrower equity injection (SBA minimum)
¡ Personal history statement (SBA Form 912)

> This checklist is a courtesy reference only. The lender is solely responsible for compliance with all applicable SBA standard operating procedures and regulatory requirements. Consult SBA SOP 50 10 8 (effective June 1, 2025) and qualified legal counsel for authoritative guidance.

13 ANALYST METHODOLOGY STATEMENT

PLATFORM DOCUMENTATION

VeriGap is a market intelligence platform that automates the collection, analysis, and presentation of public government data for use in business location decisions and lending documentation. The platform queries multiple federal government APIs in real time to produce a data-driven opportunity score and associated market metrics.

Scoring Methodology

The VeriGap Composite Opportunity Score is a weighted composite of 8 dimensions, each scored 0-100 based on algorithms calibrated against national benchmarks. Supply Gap (22%) uses a two-tier approach comparing dedicated-format OSM competitors against CBP NAICS density benchmarks. Demand Signal (18%) incorporates population, income, and age distribution from ACS 5-year estimates. Access Barrier (15%) uses nearest competitor distance from OSM. Quality Gap (10%) uses OSM count as a proxy (Yelp integration in Phase 5). Survival Viability (12%) incorporates BLS LAUS unemployment and ACS income data. Market Trajectory (10%) uses Census, BLS, and IRS migration data. Institutional Anchors (8%) is reserved for CMS/IPEDS/DoD integration in Phase 5. Physical Risk (5%) uses FEMA NFHL flood zone data.

Data Sources Used in This Report

Census CBP API	U.S. Census Bureau, County Business Patterns, 2023. api.census.gov/data/2023/cbp. Accessed 6/26/2026.
Census ACS 5-Year	U.S. Census Bureau, American Community Survey 5-Year Estimates, 2019-2023. api.census.gov/data/2023/acs/acs5. Accessed 6/26/2026.
Census PEP	U.S. Census Bureau, Population Estimates Program, 2024. Accessed 6/26/2026.
BLS LAUS	U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, March 2024. bls.gov/lau. Accessed 6/26/2026.
OpenStreetMap	OpenStreetMap contributors. Business POI data via Overpass API. overpass-api.de. Queried 6/26/2026.
FEMA NFHL	Federal Emergency Management Agency, National Flood Hazard Layer. msc.fema.gov. Queried 6/26/2026.
INDOT AADT	INDOT

14 DATA SOURCE CITATIONS

LOAN FILE DOCUMENTATION

All citations above constitute the complete list of data sources used in this report. Raw API responses and access timestamps are logged by VeriGap and available upon request for audit purposes. Report generated at: 2026-06-26T14:35:57.884Z. Report ID: SAMPLE-TIPTON-2024.

15 DEFINITIONS & GLOSSARY

REFERENCE

NAICS	North American Industry Classification System — 6-digit code identifying the specific business category
FIPS	Federal Information Processing Standards — 5-digit geographic code identifying state and county
ACS	American Community Survey — U.S. Census Bureau's ongoing demographic survey (5-year estimates)
CBP	County Business Patterns — annual Census count of business establishments by NAICS and geography
LAUS	Local Area Unemployment Statistics — BLS monthly county unemployment data
QCEW	Quarterly Census of Employment and Wages — BLS quarterly payroll and establishment data
BEA	Bureau of Economic Analysis — federal agency publishing GDP, income, and consumer spending data
PCE	Personal Consumption Expenditures — BEA measure of household spending by category
SFHA	Special Flood Hazard Area — FEMA designation for areas with >1% annual flood probability
AADT	Annual Average Daily Traffic — average vehicles per day on a road segment, measured by DOT
DSCR	Debt Service Coverage Ratio — net operating income divided by annual debt service; lenders typically require 1.25x minimum for small business loans
SOP 50 10 8	SBA Standard Operating Procedure governing 7(a) loan underwriting, effective June 1, 2025
BED	Business Employment Dynamics — BLS program tracking business births, deaths, and survival rates quarterly
IRS SOI	Internal Revenue Service Statistics of Income — annual county-to-county migration data by AGI
OSM	OpenStreetMap — open-source geospatial database of businesses and points of interest worldwide

Final Important Disclosures

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