

## SBA 504 LOAN FILE REVIEW WORKSHEET

CDC Name:  
Borrower Name:  
TPL Name:  
SBA Approval Date:  
SBA Disbursement Date:  
SBA Current Balance:  
SBPS (Origination):  
NAICS Code:  
Reviewer Name:  
Loan Risk Rating at Origination

	0
	0
	1/0/1900
	1/0/1900
\$	-
	0
	0

CDC FIRS#:  
SBA Loan Number (GP#):  
TPL Amt:  
SBA Approved Amount:  
Borrower Contribution:  
Delivery Method:  
Date Transferred to Liquidation:  
Purchase Date:  
Review Date:  
Current Risk Rating  
CDC Servicing Fee  
Closing Date

	0
	0
	0
	0

TPL Loan  
SBA Net Debenture:  
Borrower Contribution  
Total

Sources	%
\$	- #DIV/0!
	#DIV/0!
\$	- #DIV/0!
\$	- Balance

Type (Check Attributes that apply)

- ☐ New Business (<=2yr.)  
☐ Limited Use Collateral  
☐ Franchise  
☐ EPC/OC  
☐ ARRA (Recovery Act)

Status 0

- ☐ Current  
☐ Past Due  
☐ Delinquent  
☐ Deferred  
☐ In Catch Up  
☐ Active Purchase-Regular Servicing  
☐ Active Purchase-Liquidation  
☐ Purchased

Land  
Land & Building  
Construction/Reno  
Equipment  
Furniture & Fixtures  
Leaseholds  
Other1  
Other2  
Total

Use of Proceeds	%
	#DIV/0!
	#DIV/0!
	#DIV/0!
	#DIV/0!
	#DIV/0!
	#DIV/0!
	#DIV/0!
	#DIV/0!
\$	- Balance

"CDC's" Collateral Valuation

R/E Value:  
Equipment Value:  
Other 1 - Describe  
Other 2 - Describe  
Other 3 - Describe  
Total Collateral:  
Collateral Excess/(Deficit)

Valuation Method	Value\$	LIQ %	Priority Liens\$	LIQ Value\$
		75%	\$ -	\$ -
		50%		\$ -
				\$ -
				\$ -
				\$ -
	\$ -			\$ -
				\$ -

CDC's Financial Ratios/Metrics

Current Ratio  
Working Capital  
Debt/Worth  
DSCR

Actual/Historical	Pro-forma

Guarantor Name  
Insert Name 1  
Insert Name 2  
Insert Name 3

Credit Score

Guarantor Name  
Insert Name 4  
Insert Name 5  
Insert Name 6

Credit Score

Guarantor Name
Insert Name 7
Insert Name 8
Insert Name 9

Credit Administration. Table below summarizes the exceptions per category for this sample.

	Required	Exceptions	Exception Ratio
Gathering	0	0	0.00%
Verification	0	0	0.00%
Document	0	0	0.00%
Analysis	0	0	0.00%
Control/Servicing	0	0	0.00%

Move cursor over this cell to view instructions for filling out Credit Underwriting Narrative

SBA Loan Number (GP#):	Type	Required	Exceptions	Exception Ratio
0	0	0	0	0%

Subject loan was used to [ ].

CDC [adequately/inadequately] analyzed repayment ability. Repayment ability analysis was based on [historical cash flow calculation/projected cash flow/both]. CDC [analyzed/did not analyze] the balance sheet before and after adjusting for the subject debt and calculated financial ratios that were then [compared/not compared] against industry standards. Managements experience [was/was not] analyzed and the personal credit information [was/was not] obtained.

For stressed, purchased, and charged off credits provide more detailed description. Tell a short story of what happened and actions done by the CDC etc.

Un-cleared Exceptions:

**Reviewers:** The questions below are posed such that "Yes" responses indicate "in compliance." All questions require a response (Yes, No, or N/A). ADD: Explain specific reason(s) for each exception ("No") in the Comments section.

Eligibility

	Question	Req.	Category	Yes/No/N A	Comments:
1	Business is a for-profit domestic operation?	<input type="checkbox"/>	Eligibility	[select one]	
2	Size determinations were correct and analyzed according to SBA policy?	<input type="checkbox"/>	Eligibility	[select one]	
3	Franchise's SBA eligibility is documented and Franchise documents are fully executed?	<input type="checkbox"/>	Eligibility	[select one]	
4	Loan file contains written evidence that credit is not otherwise available on reasonable terms?	<input type="checkbox"/>	Eligibility	[select one]	
5	Personal resources test was appropriately applied?	<input type="checkbox"/>	Eligibility	[select one]	
6	SBA Form 912 "Statement of Personal History" obtained for all owners, guarantors, and key management (if applicable); if any 912 question answered in the affirmative, proper SBA approval was obtained (explain ANY "No")?	<input type="checkbox"/>	Eligibility	[select one]	

7	File contains CAIVRS documenting no prior loss to the government? For PCLP lenders if loan approval prior to 9/30/2012, no CAIVRS required, however the No Prior Loss Statement must be certified by the Borrower. For all others if loan approval prior to 1/1/2014 no CAIVRS required, however the No Prior Loss Statement must be certified by the Borrower. (Explain any "No" as either not meeting the standard AND/OR not meeting the documentation)?	<input type="checkbox"/>	Eligibility	[select one]	
8	Principal(s) are eligible citizens or have eligible non-citizen status?	<input type="checkbox"/>	Eligibility	[select one]	
9	Have all EPC/OC requirements been met? (Explain WHAT conditions are not met with any "No" answer)	<input type="checkbox"/>	Eligibility	[select one]	
10	Any Project, including 504 Debt Refinance approved after June 24, 2016, meets the required Job Opportunity requirements or is exempt due to meeting Public Policy requirements (i.e. minority, veteran, woman-owned business, etc.)? If the 504 Debt Refinancing Project was approved before June 24, 2016, alternative job retention goal that was authorized by the previous Jobs Act applies.	<input type="checkbox"/>	Eligibility	[select one]	
11	Relocation out of the community requirements were met?	<input type="checkbox"/>	Eligibility	[select one]	
12	All occupancy percentage and proceed requirements are met? This question is "Required" whenever loan proceeds are used to acquire, construct/renovate real estate.	<input type="checkbox"/>	Eligibility	[select one]	
13	No actual or apparent conflicts of borrower and/or lender interest exist?	<input type="checkbox"/>	Eligibility	[select one]	
14	Loan proceeds were used for eligible business purposes and in accordance with Loan Authorization?	<input type="checkbox"/>	Eligibility	[select one]	
15	Loan meets loan program-specific eligibility requirements/restrictions for delivery method under which the loan was approved. (Explain any "No" answer with specific requirements not met.)?	<input type="checkbox"/>	Eligibility	[select one]	
16	Third Party Lender permanent meets Loan Authorization conditions?	<input type="checkbox"/>	Eligibility	[select one]	
17	Life Insurance determination was documented?	<input type="checkbox"/>	Underwriting	[select one]	
18	Credit analysis was performed and included repayment ability based on historical income statements and/or tax returns? Completing this question is not required for start ups.	<input type="checkbox"/>	Underwriting	[select one]	
19	Repayment is justifiably based on projection with reasonableness of assumptions and compared to industry standards?	<input type="checkbox"/>	Underwriting	[select one]	
20	A ratio analysis of the financial statements including any comments on any trends and a	<input type="checkbox"/>	Underwriting	[select one]	
21	Owners' & Managers' relevant experience in business, credit histories & explanation of adverse info on credit?	<input type="checkbox"/>	Underwriting	[select one]	
22	Economic viability of market was considered?	<input type="checkbox"/>	Underwriting	[select one]	
23	Collateral is adequate and the CDC's analysis sufficiently addresses all requirements? See guidance regarding collateral adequacy test	<input type="checkbox"/>	Underwriting	[select one]	
24	CDC collateral analysis includes liquidation value of pledged collateral?	<input type="checkbox"/>	Underwriting	[select one]	
25	All required personal and corporate guarantees were obtained?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
26	Appraisal conducted as required on real estate estimated value of \$250,000 or more?	<input type="checkbox"/>	Underwriting	[select one]	
27	The environmental policies and procedures were applied in accordance with regulations (Environmental Investigation Report and reliance letter)?	<input type="checkbox"/>	Underwriting	[select one]	
28	Third Party Lender obtained no preferences?	<input type="checkbox"/>	Underwriting	[select one]	
29	CDC's Preparation of Authorization included all appropriate terms and conditions, as required, e.g. including required categories of professional liability insurance coverage.	<input type="checkbox"/>	Closing/Disbursement	[select one]	
30	The loan file contained the CDC's Certifications of no adverse change?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
31	CDC verified use of proceeds and retained in its file evidence to support disbursements, such as cancelled checks, paid receipts or Final Certified Closing Statement signed by a	<input type="checkbox"/>	Closing/Disbursement	[select one]	
32	Is Borrower's Contribution appropriate to the project and has been verified by a Final Closing Statement signed by the third party closing agent and/or supporting paid invoices?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
33	If Authorization requires a Standby Note, does the file include a signed copy of the Standby Note containing the all required terms?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
34	Hazard Insurance Policies with SBA/CDC listed specifically as either "Lender Loss Payable" and/or "Mortgagee", as required, documented in file for all assets pledged as collateral	<input type="checkbox"/>	Closing/Disbursement	[select one]	
35	Does file contain Federal Emergency Management's (FEMA) certificate indicating flood determination? If in flood zone, then was flood insurance binder obtained for closing?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
36	Collateral assignment of life insurance obtained, as applicable?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
37	Other insurance policy requirements (workers' comp, disability, malpractice)?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
38	IRS tax transcripts were obtained and reviewed to verify historic financial information upon which credit worthiness decision was made?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
39	All required SBA Forms 159, (Fee Disclosure Form and Compensation Agreement) were obtained?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
40	All required collateral lien positions have been adequately verified through post-filing UCC searches and final title policies? The file also contains documentation supporting the recorded interim Lien release moving the CDC/SBA into the proper lien position as	<input type="checkbox"/>	Closing/Disbursement	[select one]	
41	Where applicable, evidence that CDC obtained list of equipment and serial numbers on items with liquidation value over \$5,000?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
42	The file contains detailed documentation supporting the Use of Proceeds as required in the Authorization? (Review settlement statements) If new construction or major	<input type="checkbox"/>	Closing/Disbursement	[select one]	

43	CDC has complied with Loan Authorization's requirements for verification of completion of construction and occupancy?	<input type="checkbox"/>	Closing/Disbursement	[select one]	
44	Loans are classified (aka risk rated) at origination/funding	<input type="checkbox"/>	Closing/Disbursement	[select one]	
45	CDC's monitoring of continued creditworthiness is reasonably sufficient? Evidence that CDC has a system of monitoring real property tax payments and hazard insurance to ensure real estate taxes and insurance are current? Provide a narrative in the "Comments" section describing the evidence in file and why it is, or is not considered sufficient.	<input type="checkbox"/>	Servicing	[select one]	Required Narrative
46	Loans are classified (aka risk rated) on an annual basis (or more frequently if circumstances such as borrower payment default or lapse in insurance necessitate)?	<input type="checkbox"/>	Servicing	[select one]	
47	CDC obtained evidence of updated/renewal insurance coverage with Lender's Loss Payable/Mortgagee clause(s), as required, post-closing?	<input type="checkbox"/>	Servicing	[select one]	
48	For loans disbursed more than two years from the review date, did the CDC obtain documentation from the borrower supporting the number of jobs created and/or retained at the two year anniversary of the loan?	<input type="checkbox"/>	Servicing	[select one]	
49	Does the documentation of jobs created and/or retained provided to the reviewer support the job numbers at the two year anniversary of the loan that was reported by	<input type="checkbox"/>	Servicing	[select one]	
50	Where TPL loan is refinanced and SBA subordinates to refinancing, CDC verified proceeds of subordination were used properly, that TPL was not paid prohibited charges under the TPL Agreement and that correct subordination forms were used?	<input type="checkbox"/>	Servicing	[select one]	
51	CDC promptly notified SBA of all situations which would require IG referral?	<input type="checkbox"/>	Intensive Servicing	[select one]	
52	Evidence that all information given to SBA or used by CDC to support servicing actions was accurate?	<input type="checkbox"/>	Intensive Servicing	[select one]	
53	Evidence that CDC engaged in intensive servicing efforts when loan was 60 days past	<input type="checkbox"/>	Intensive Servicing	[select one]	
54	Evidence that during the site visit a good faith effort was made to inspect and inventory collateral, reconcile any missing items using equipment list at loan origination and obtain	<input type="checkbox"/>	Intensive Servicing	[select one]	
55	CDC submitted loan for purchase within 90 days of default to prevent excess interest payments?	<input type="checkbox"/>	Intensive Servicing	[select one]	
56	CDC verified real estate taxes were paid, that no adverse property conditions existed and analyzed financial feasibility of repayment prior to approving a deferment?	<input type="checkbox"/>	Intensive Servicing	[select one]	
57	Evidence that if collateral had value CDC took prudent and commercially reasonable efforts to care for and preserve collateral until it was liquidated?	<input type="checkbox"/>	Intensive Servicing	[select one]	
58	CDC has provided notice to SBA upon classification of the loan into "liquidation"? When a 504 Loan is classified in liquidation, the CDC must immediately request that SBA purchase	<input type="checkbox"/>	Intensive Servicing	[select one]	
59	CDC has provided a written liquidation plan for SBA approval within 30 days of debenture purchase?	<input type="checkbox"/>	Intensive Servicing	[select one]	
60	Current appraisals were used by the CDC to evaluate liquidation collateral?	<input type="checkbox"/>	Intensive Servicing	[select one]	
61	In a liquidation case where property title was taken, an environmental review was done prior to the acquisition of title?	<input type="checkbox"/>	Intensive Servicing	[select one]	
62	CDC has forwarded all recoveries on repurchased debentures within 15 days of receipt?	<input type="checkbox"/>	Intensive Servicing	[select one]	
63	The Wrap-Up Report has been completed and submitted to SBA in accordance with loan program requirements?	<input type="checkbox"/>	Intensive Servicing	[select one]	
64	Was borrower current, with no deferments or more than 30 days past due, on all payments due on the existing debt for not less than 1 year preceding the date of refinancing (Exceptions approved in HQ by GH or GS)?	<input type="checkbox"/>	Eligibility	[select one]	
65	Is the debt that is being refinanced, "Qualified Debt", which is a commercial loan that was: 1) substantially all (85% or more) of the proceeds of which were used to acquire an Eligible Fixed Asset (as defined in 13 CFR §120.882(g)(15)). If the Eligible Fixed Asset was originally financed through a commercial loan that would have satisfied the "substantially all" standard (the "original loan") and that was subsequently refinanced one or more times, with the current commercial loan being the most recent refinancing, the current commercial loan will be deemed to satisfy this requirement; 2) incurred not less than two years before the date of application;	<input type="checkbox"/>	Eligibility	[select one]	
66	Has the CDC stated that the Refinancing Project does not involve an expansion of the small business, i.e., none of the funds provided will be used for the acquisition, construction or improvement of land, buildings or equipment for use by the small business?	<input type="checkbox"/>	Eligibility	[select one]	
67	Borrower has been in operation for all of the two-year period ending on the date of application and no change of ownership occurred during this period? If a change in ownership occurred during the most recent two year period, did the CDC make a determination in the credit memo that the change would not result in new, unproven ownership / management and increased debt unrelated to business operations?	<input type="checkbox"/>	Eligibility	[select one]	
68	Additional collateral consisting of fixed assets was added because it needed to comply with the 90% Loan-to-Value limitation?	<input type="checkbox"/>	Eligibility	[select one]	
69	If the project included refinancing of "eligible business expenses" they were limited to the following business expenses: 1)"Other Secured Debt", debt that has been secured for at least 2 years prior to the date of application by the same Eligible Fixed Asset(s) securing the Qualified Debt and for	<input type="checkbox"/>	Eligibility	[select one]	
70	If the project included refinancing of "eligible business expenses," the application included a specific description of the Eligible Business Expenses and an itemization of the amount of each expense with the Form 1244 certification of the accuracy of this information?	<input type="checkbox"/>	Eligibility	[select one]	

71	Loan applications for assistance under the 504 Debt Refinancing Program were processed by the SBA and were not approved by CDCs under PCLP authority?	<input type="checkbox"/>	Eligibility	[select one]	
72	The CDC provided an analysis in its credit memorandum that the proposed debt refinancing satisfies each of the requirements of the 504 Debt Refinancing Program?	<input type="checkbox"/>	Eligibility	[select one]	
73	The CDC obtained evidence that lien(s) are securing the Qualified Debt and any Other Secured Debt with Eligible Fixed Asset(s), and stated in its credit memorandum that it has verified that the lien(s) has been in place for at least two years before the date of application? The CDC retained the evidence of the liens in its records (e.g., Preliminary Title Report, Mortgage Deed of Trust, or UCC- 1 filing)?	<input type="checkbox"/>	Eligibility	[select one]	
74	CDC verified TPL balance on all servicing and liquidation actions to ensure that TPL complies with TPL Agreement's limitation on cross-collateralization and default fees?	<input type="checkbox"/>	Intensive Servicing	[select one]	
76	CDC staff proactively works litigation and liquidation cases for recovery and does not allow cases to drift?	<input type="checkbox"/>	Intensive Servicing	[select one]	
76	CDC submits timely wrap-up reports and 10% loss fee on all loans?	<input type="checkbox"/>	Intensive Servicing	[select one]	
77	CDC file shows evidence of intensive servicing and liquidation/litigation of all assets?	<input type="checkbox"/>	Intensive Servicing	[select one]	
78	CDC insures that equipment is not abandoned to foreclosure sale buyer?	<input type="checkbox"/>	Intensive Servicing	[select one]	
79	CDC obtained prior approval for all litigation plans, legal fees, compromises and any other action requiring prior SBA approval?	<input type="checkbox"/>	Intensive Servicing	[select one]	
80	CDC recorded the bid results and buyers at all equipment and real estate foreclosures sales, recovered all surplus proceeds and proactively protected SBA collateral?	<input type="checkbox"/>	Intensive Servicing	[select one]	
81	CDC enforced, or provides reasonable explanation for non-enforcement, of the TPL Agreement's 30 and 60 day notice provisions?	<input type="checkbox"/>	Intensive Servicing	[select one]	

