

GUARANTY PURCHASE CHECKLIST

SBA Loan Number: _____ SBA Loan Name: _____

Instructions: Mark by "x" all items necessary to determine liability of SBA to honor its guaranty for this loan. Lender must provide within 30 calendar days items identified by [x] below. If a requested item is not available, Lender must provide a written explanation. Lender must not deliver or assign any original collateral documents to SBA unless directed to do so by SBA.

Note: For purchases under the Streamlined Guaranty Purchase Process (SBA share \$10,000 or less) go to next page

REQ'd of BANK SBA USE ONLY
REC'd NEED

ADMINISTRATIVE DOCUMENTS

- [X] [] [] Written demand that SBA honor its guaranty including date of default, date to which interest has been paid, interest rate at time of default, and the next installment due date
- [X] [] [] Wire transfer instructions
- [X] [] [] Certified Transcript of Account signed by lender (*must include payment receipt dates, interest rate(s) in effect, and amounts applied to principal and/or interest; the transcript must reflect all transactions on the borrower's account including liquidation proceeds and expenses*)

SBA POLICY / SOP REQUIREMENTS

- [X] [] [] Loan Authorization and any amendments
- [X] [] [] Settlement Sheets (SBA Form 1050). Attach evidence showing proceeds were used according to the Authorization and instructions on SBA Form 1050; *include copies of cleared joint payee checks, bills of sale and paid invoices, as applicable*
- [X] [] [] Risk Management Database information
- [] [] [] Evidence of borrower Injection (such as copies of cleared checks, bank statements, escrow closing statements, paid invoices); required if injection is a condition of the loan authorization
- [] [] [] IRS Income Tax Verification for years _____
- [] [] [] Lender's credit memorandum and supporting documentation (PLP early default loans)
- [X] [] [] PLP loan eligibility determination
- [X] [] [] LowDoc loan eligibility checklist and supporting documentation
- [] [] [] Liquidation Plan
- [] [] [] Site Visit Reports
- [] [] [] Liquidation wrap-up report with supporting documentation

DEBT INSTRUMENTS

- [X] [] [] Note (SBA Form 147) and Modification and Amendments
- [] [] [] Guaranties (SBA Form 148)
- [] [] [] Evidence of guarantor consent for any material changes to the loan terms

REAL ESTATE COLLATERAL

- [] [] [] Recorded Deeds of Trust / Mortgages covering _____
- [] [] [] Transfer and Assignment of Deeds of Trust / Mortgages to SBA (Only if SBA services)
- [] [] [] Title Insurance Policies and/or Certificates (title opinion)

PERSONAL PROPERTY COLLATERAL

- [] [] [] Security Agreements
- [] [] [] UCC Financing Statements filed with Secretary of State and/or County
- [] [] [] UCC Continuation Statements and Amendments
- [] [] [] UCC Financing Statements with assignments to SBA
- [] [] [] Post Default UCC Lien Searches, including copies of all filings
- [] [] [] Landlord's Subordination / Waiver
- [] [] [] Certificate of Ownership and/or Certificate of Title on Vehicles / M&E / Manufactured Homes
- [] [] [] Transfer and assignments of Vehicle / M&E / Manufactured Home titles to SBA (Only if SBA services)

INSURANCE REQUIREMENTS

- [] [] [] Life Insurance Policies (Summary pages only)
- [] [] [] Collateral Assignment of Life Insurance Policy (acknowledged by Insurance Company)
- [] [] [] Assignment to SBA of Collateral Assignment of Life Insurance Policy
- [] [] [] Hazard Insurance Policies (page showing insured, amount & mortgagee will suffice)
- [] [] [] Evidence of Standard Flood Insurance Policy or determination that property is not located in a special flood hazard area

OTHER MISCELLANEOUS DOCUMENTS

- [] [] [] Reconciliation of original collateral with a unit value of \$500 or more (include description and serial numbers) to current inventoried collateral
- [] [] [] Demand Letters
- [] [] [] Copies of all legal pleadings, including bankruptcy filings
- [] [] [] Itemized legal invoices, including hours per task and charge per hour
- [] [] [] Itemized expenditures (these expenditures should match the Transcript of Account)
- [] [] [] Report of sale of collateral
- [] [] [] Appraisals received at loan origination and liquidation (summary pages only)
- [] [] [] Lease Agreement (pages showing terms, lessee & signatures)
- [] [] [] Environmental Questionnaires on _____
- [] [] [] Phase I and/or Phase II Environmental Report (Summary & Recommendation pages only)
- [] [] [] SBA Form 912, Statement of Personal History, for each principal (required for PLP early default loans)
- [X] [] [] Other: Blanket Assignment (completed & executed by an officer of your bank) (record if mortgage was taken)
- [X] [] [] Other: Abstract of Title
- [X] [] [] Other: SBA liquidation letter to bank dated _____, received back from bank, signed and dated.

IMPORTANT: When original documents are required, the Note (and any Modifications/Amendments), Guaranties, and Security Agreements must have the following typed on them and be signed and dated by the Lender: **“Transferred and assigned to U.S. Small Business Administration, an Agency and Instrumentality of the United States Government without recourse.”**

CHECKLIST FOR SMALL LOAN BALANCE PURCHASES (SBA share \$10,000 or less)

| REQ'd of BANK | <u>SBA USE ONLY</u> | | |
|-------------------------------------|--------------------------|--------------------------|--|
| | REC'd | NEED | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Written demand that SBA honor its guaranty including date of default, date to which interest has been paid, interest rate at time of default, and the next installment due date. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Wire transfer instructions |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Certified Transcript of Account signed by lender <i>(must include payment receipt dates, interest rates in effect, and amounts applied to principal and/or interest; the transcript must reflect all transactions on the borrower's account including liquidation proceeds and expenses)</i> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Lender's documentation of eligibility (PLP and Lowdoc loans only) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Copies of Note, Authorization and any guaranties |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Risk Management Database information |

IF LIQUIDATION IS COMPLETE:

| | | | |
|-------------------------------------|--------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Lender certification that liquidation is complete and that all avenues of collection have been exhausted |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Final liquidation wrap-up report with information required by SOP 50 51 2 |

Comments On Known Deficiencies and Recommendations:

Sheri R. Osterkamp, LSA

Date

Christa Brusen-Gomez, District Counsel

Date

Roger A. Hoffman, ADD/ED