

Borrower: _____

Lender: _____

Numbered Documentation Checklist for Loan Guarantees and

Loan Insurance on Loans over \$100,000¹

(All references are to 25 Code of Federal Regulations)

1. IA Form RG110 (25 CFR § 103.12 for loan guarantees, § 103.13, b for loan insurance)
2. Written explanation from lender stating why guarantee is needed (for loan guarantees only, § 103.12, a) and the minimum percentage guarantee the lender will accept
3. Borrower's loan application (§ 103.12, b)
4. Description of borrower's equity (§ 103.12, c)
5. Lender's independent credit analysis, repayment ability and collateral (§ 103.12, d)
6. Credit report (§ 103.12, e)
7. Lender's loan commitment letter (§ 103.12, f)
8. Lender's estimate of loan-related fees (§ 103.12, g)
9. Construction loan bonding, draw requirements, inspection procedures, if applicable (§ 103.12, h)
10. Loan description and comparison of terms, if refinancing (§ 103.12, i)
11. Credit Memo to include borrower's (§ 103.26, a):
 - ☐ Precise legal name
 - ☐ Address
 - ☐ Tax ID number or Social Security Number
12. Proof of borrower's eligibility (§ 103.26, b)
13. Statement that borrower is not delinquent of Federal tax or other debt obligation (§ 103.26, c) Also, check if the tribe has any outstanding loan guaranty debts.
14. Business Plan to include (§ 103.26, d):
 - ☐ Resumes of all principals
 - ☐ Detailed discussion of the product or services to be offered
 - ☐ Market factors
 - ☐ Borrower's marketing strategy
 - ☐ Technical assistance the borrower may require
15. Description of equity in business including method(s) of valuation (§ 103.12, d , § 103.26, e)
16. Balance sheets for preceding 3 years (§ 103.26, f)
17. Operating statements for preceding 3 years (§ 103.26, f)
18. Current financial statement (§ 103.26, g)
19. 3 year financial projections to include (§ 103.26, h):
 - ☐ Balance sheets
 - ☐ Operating statements
 - ☐ Cash flow statements
20. Collateral detailed list (§ 103.26, i)
21. Insurance detailed list (§ 103.26, j)
22. Construction loans must have the following (§ 103.26, k):
 - ☐ Quote for the work

¹ Application is required on loans under \$100,000 if the total outstanding balance of all loans in Program are over \$100,000 or if lender requests an interest subsidy (§ 103.13 c).

- ☐ Contracts for architecture and construction
- ☐ Plans, specifications and building permits
- 23. If borrower is a tribe (§ 103.26, l):
 - ☐ Resolutions by the tribe
 - ☐ Proof of authority
- 24. If borrower is a business entity (§ 103.26, m):
 - ☐ Resolutions by governing officials
 - ☐ Proof of authority

Ineligible loans contain:

- ☐ Points or loan origination fees (§ 103.15 a)
- ☐ Annual fees included as part of principal and bear interest (§ 103.15 a1,2)
- ☐ Charges to borrower except reasonable and customary (§ 103.15 b)
- ☐ Repayment terms over 30 years (§ 103.15 c)
- ☐ Payments less frequently than annually (§ 103.15 d)
- ☐ Prepayment penalties (§ 103.15 e)
- ☐ Unreasonably high interest rates (§ 103.15 f)
- ☐ Variable rates other than those tied to prime rate (§ 103.15 g)
- ☐ Increased rate of interest based on default (§ 103.15 h)
- ☐ Unreasonable late fees (§ 103.15 i)
- ☐ Provisions that change based on subjective repayment prospects (§ 103.15 j)
- ☐ Requirement that borrower take title to restricted property (§ 103.15 k)
- ☐ Requirement that tribe provide security of general assignment of trust income (§ 103.15 l)

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