

# BUSINESS & INDUSTRY GUARANTEED LOAN CHECKLIST

(Revised 9/3/08)

4279.161 (b)(c)	<b><u>Rural Development Instruction 4279-B</u></b> <a href="http://www.rurdev.usda.gov/regs/regs/pdf/4279b.pdf">http://www.rurdev.usda.gov/regs/regs/pdf/4279b.pdf</a>	Guaranteed Loans \$600,000 or less	Guaranteed Loans > \$600,000
	<b>Maximum guaranteed loan</b> – \$10 million with some exceptions up to \$25 million and up to \$40 million on rural cooperatives that process value-added agricultural commodities.		
<b>1</b>	<b>APPLICATION FILE</b>		
	4279-1 "Application for Loan Guarantee" + attachments <i>Forms available at: <a href="http://www.rurdev.usda.gov/regs/formstoc.html#4200">http://www.rurdev.usda.gov/regs/formstoc.html#4200</a></i>	N/A	X
	4279-1A "Application for Loan Guarantee, Short Form" + attachments <i>(Short Form for applications of \$600,000 or less)</i>	X	N/A
	DUNS # <i>(nine digit identification number)</i> <i>Obtain a DUNS # at: <a href="http://www.dnb.com">http://www.dnb.com</a> (screen print of DUNS # issued required)</i>	X	X
	4279-2 "Certification of Non-Relocation and Market Capacity Information Report"	N/A	X
	Lender's complete written analysis <i>(requirements to be addressed as specified in §4279.161 (b) (8)).</i>	X	X
	Certification by lender that it has completed a comprehensive written analysis	In lender's file	X
	Lender's Proposed Loan Agreement <i>(requirements to be addressed as specified in §4279.161 (b) (11) (i) through (xiii))</i>	X	X
	Business Plan (See 4279.161 (b), (12))	In lender's file	X
<b>2</b>	<b>ENVIRONMENTAL FILE</b>		
	1940-20 "Request for Environmental Information" + attachments	X	X
	Intergovernmental consultation comments	X	X
<b>3</b>	<b>FINANCIAL STATEMENT FILE</b>		
	Pro forma Balance Sheet at startup	X	X
	Interim financials (less than 90 days)	X	X
	Balance sheets (2 years of projected year-end)	X	X
	Income and expense statements (2 years of projected year-end)	X	X
	Cash flow statements w/appropriate ratios and comparisons with industrial standards (such as Dunn & Bradstreet or Robert Morris Associates) (2 years of projected year-end)	In lender's file	X
	Financial Statements: - For existing business, 3 years historical financial statements on the applicant, any parent, affiliate, and subsidiary	X	X
	Aging of Accounts Receivable and Accounts Payable (existing business only)	X	X
	Current personal & corporate financial statements of guarantors (less and 90 days)	In lender's file	X
	Personal credit reports for all with 20% or more interest in the applicant	In lender's file	X
	Commercial credit reports on the applicant, any parent, affiliate, and subsidiary	In lender's file	X
	SEC Form 10-K, "Annual Report Pursuant to sections 13 or 15D of the Act of 1934	N/A	X
<b>4</b>	<b>FEASIBILITY FILE</b>		
	Comprehensive Independent Feasibility Study <i>(per RD Instruction 4279-B, Appendix A)</i>	In lender's file	X
<b>5</b>	<b>APPRAISAL FILE</b>		
	(A) Real estate: - Prepared by State Certified General Appraiser - In compliance with Financial Institutions Reform, Recovery and Enforcement Act of 1989 - In compliance with Standards 1 and 2 of the Uniform Standards of Professional Appraisal Practices - Less than one (1) year old - Copy of appropriate environmental site assessment	X	X
	(B) Chattels: In accordance with normal banking practices and generally accepted methods of determining value.	X	X
	<b>LENDER DOCUMENTATION (<i>lender experience and expertise</i>)</b>		
	Prior B&I, USDA Renewable Energy/Energy Efficiency Guaranteed Program, SBA Lending Activity	X	X
	Organizational Structure	X	X
	Loan Officer experience in commercial lending and any past experience with Rural Development programs	X	X
	Lending policies including: • delegated authority • loan approval process • loan underwriting standards • risk rating system • loan workout process	X	X
	Deficiencies identified in most recent examination/audit	X	X
	Current Financial position of Lender	X	X
	Capital reserves for losses	X	X

***Please submit a separate file for items 1 through 5***

**Applications and related materials must be submitted to the State Office at the following address:**

**USDA Rural Development  
101 South Main, Suite 102  
Temple, Texas 76501**

**ATTN: Business and Cooperative Programs**