

LOAN ASSUMPTION

In order for the Small Business Administration (SBA) to consider your request for Loan Assumption, **please provide the following required information as itemized below.**

ATTENTION:

This requirements letter is not a commitment by the SBA. Any commitment made by the SBA will be provided separately in writing.

All loans must reflect current status or be brought current before the SBA will process a servicing action. Approval of any request may be conditioned on curing defaults and correcting any collateral deficiencies or issues with loan documents. Servicing actions cannot be approved without proof of continuing insurance coverage showing SBA as mortgagee as stated below.

Once a complete package is received, the SBA will have a response to your request within 30 business days. Any incomplete packages are subject to delays and/or may be returned unprocessed. Additional documentation may be required for thorough analysis.

Please be advised that assumption of this loan does not grant any rights of ownership to any collateral. Any change in ownership of collateral must be bargained for separately and evidenced by a sufficient legal document.

Note: If SBA is in the process of foreclosing on the real estate used to secure your SBA loan, you must contact the SBA employee in the SBA's National Disaster Loan Resolution Center (NDLRC) named in your foreclosure letter to discuss this matter. As to non-bankrupt borrowers/guarantors in foreclosure, collection efforts currently in process will continue until SBA's NDLRC receives the required documentation and approves your request for assistance in writing. There will be no refunds of any offset(s) by the U.S. Department of Treasury during this period.

From the current borrower(s):

1. A detailed letter from the borrower(s) and/or guarantor(s) (if any) signed and dated explaining your assumption proposal. Explain any cash to be paid to the current borrower/guarantor and any other financing related to the assumption.
2. Copy of death certificate. (if applicable)
3. Completed, signed and dated Consent to Verify Information and 3rd Party Authorization ([Birmingham Form](#), [El Paso Form](#), [Santa Ana Form](#)).
4. Completed, signed and dated Financial Statement of Debtor ([SBA Form 770](#)). The request will be withdrawn if these forms are incomplete.
5. Copies of Federal Income Tax Returns (all schedules) for the last two (2) years. If current tax return was not filed, submit a copy of your tax extension form and W-2 form(s).

From the proposed borrower(s):

1. Assumption agreement. (if applicable)
2. Signed and dated letter from all proposed borrower(s) consenting to the Assumption. Disclose any association you may have with the current borrower(s). If this is a Disaster Home Loan, explain how the proposed borrower(s) are acquiring the property and the plans of residency.
3. Completed, signed and dated Statements of Personal History ([SBA Form 912](#)) for all proposed borrower(s); Individuals and/or Corporate Officers.
4. Completed, signed and dated Consent to Verify Information and 3rd Party Authorization ([Birmingham Form](#), [El Paso Form](#), [Santa Ana Form](#)) for all proposed borrower(s).
5. Completed, signed and dated Financial Statement of Debtor ([SBA Form 770](#)) for all proposed borrower(s). The request will be withdrawn if these forms are incomplete.
6. Completed, signed and dated Request for Transcript of Tax Returns ([IRS Form 4506-T](#)) from all proposed borrower(s).
7. Copies of Federal Income Tax Returns (all schedules) for the last two (2) years from all proposed borrower(s). If current tax return was not filed, submit a copy of your tax extension form.
8. Copies of the most recent pay stubs for the past (2) months from all proposed borrower(s). If any are a recipient of Social Security, provide a copy of the current SSA/SSI award letter, and a copy of the most recent SSA/SSI check stubs or bank statement reflecting the SSA/SSI benefits.

9. Copies of the last 6 months of statements for all banking and investment accounts (stocks, bonds, IRA, Mutual Funds, etc.) from all proposed borrower(s).

Additional requirements for business loans:

1. Detailed business plan that includes the following:
 - a. Ownership summary
 - b. Management skills and experience
 - c. Any changes in the operations of the business
2. Resolution of Board of Directors ([SBA Form 160](#)) is required, if the Assumptor is a corporation.
3. If LLC, provide Articles of Incorporation and By Laws.
4. UCC Lien Searches of the business assets to be held as collateral dated within 6 months.
5. Copies of latest Federal Income Tax Returns (all schedules) for the last two (2) years. If current tax return was not filed, submit a copy of your tax extension form.
6. Year-to-Date financial statements - balance sheet and profit & loss statement **current within 90 days**.
7. Current Monthly Debt Schedule for business, or use [SBA Form 2202](#).

Collateral (if applicable):

1. Court documents issued by court granting assumptor ownership of the estate.
2. Valuation of collateral: If additional collateral being offered to secure the loan, a copy of a recent appraisal (no older than 120 calendar days) prepared by a real estate appraiser with an active real estate appraiser's license.
3. Current Title Report/Ownership Encumbrance Report of real estate to be pledged as collateral dated within 6 months.
4. Submission of insurance policy's declaration page(s) as proof of Hazard Insurance and Flood Insurance on all collateral being used to secure the loan, showing SBA as Mortgagee. MORTGAGEE CLAUSE: United States Small Business Administration, an Agency of the government of the United States of America, (Select and enter name and address of applicable center per below):
 - Birmingham DLSC – 801 Tom Martin Drive, Suite #120, Birmingham, AL 35211
 - El Paso DLSC - 10737 Gateway West, Suite #300, El Paso, TX 79935
 - Santa Ana NDLRC - 200 W Santa Ana Blvd, Suite #180, Santa Ana, CA 92701
5. If NEW property is not within a Special Flood Hazard Area (SFHA), provide written verification (i.e. appraisal, insurance company provided confirmation and map). If property is within a Special Flood Hazard Area, you will be mandated to provide Flood Insurance naming SBA as Mortgagee, with coverage amount equal to the insurable value of the property, or the maximum coverage available, whichever is less.

Terms of Sale (if applicable):

1. Copy of Buy/Sell Agreement (if applicable)
2. Copy of seller carry back note
3. Lease Agreement
4. Approval of Senior Lien Holder (if applicable)

Packages can be electronically uploaded or sent via regular mail:

(1) Electronic upload:

- a. [Upload to Birmingham DLSC](#)
- b. [Upload to El Paso DLSC](#)
- c. [Upload to Santa Ana NDLRC](#)

(2) Regular mail: Mail to the appropriate center:

- a. US SBA, Birmingham DLSC – 801 Tom Martin Drive, Suite #120, Birmingham, AL 35211
- b. US SBA, El Paso DLSC - 10737 Gateway West, Suite #300, El Paso, TX 79935
- c. US SBA, Santa Ana NDLRC - 200 W Santa Ana Blvd, Suite #180, Santa Ana, CA 92701