

SUBSTITUTION OF GUARANTOR

In order for the U.S. Small Business Administration (SBA) to consider your request for Substitution of Guarantor, **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. 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.

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 guarantors:

1. A detailed letter from existing SBA borrower(s) and guarantor(s) signed and dated explaining the reasons for the substitution of guarantor. If monetary consideration is being offered, state the amount and source of funds.
2. Completed, signed and dated Consent to Verify Information and 3rd Party Authorization ([Birmingham Form](#), [El Paso Form](#), [Santa Ana Form](#)) for existing and proposed guarantor(s).
3. Completed, signed and dated Financial Statement of Debtor ([SBA Form 770](#)) for existing and proposed guarantor(s). The request will be withdrawn if the form is incomplete.
4. Completed, signed and dated Statement of Personal History ([SBA Form 912](#)) for proposed guarantor(s).
5. Completed, signed and dated Request for Transcript of Tax Returns ([IRS Form 4506-T](#)) for existing and proposed guarantor(s).
6. Copies of Federal Income Tax Returns (all schedules) for the last two (2) years from existing and proposed guarantor(s). If current tax return was not filed, submit a copy of your tax extension form and W-2 form(s).
7. Copies of the most recent pay stubs for the past (2) months from existing and proposed guarantor(s). If any are a recipient of Social Security, provide a copy of the current SSA/SSI award letter, a copy of the most recent SSA/SSI check stub or bank statement reflecting the SSA/SSI benefits.
8. Copies of the last 6 months of statements for all banking and investment accounts (stocks, bonds, IRA, Mutual Funds, etc.) from existing and proposed guarantor(s).
9. Copy of buy/sell agreement; buyout agreement. (if applicable)

Additional requirements for business loans:

1. 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).
2. Year-to-Date financial statements - balance sheet and profit & loss statement **current within 90 days**.
3. Current Monthly Debt Schedule for business, or use [SBA Form 2202](#).

Additional requirements if the request includes Real Estate and/or Business Assets in transaction:

1. Provide a copy of the quitclaim deed on the party who will be released from the obligation.
2. Valuation of collateral: 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. The required valuation is for property to be RELEASED and to be SUBSTITUTED.
3. Current Title Report/Ownership Encumbrance Report/UCC Lien Searches of the collateral and/or business assets held as security on loan for property to be RELEASED and to be SUBSTITUTED dated within 6 months.

4. The verified balance(s) of any and all prior liens superior to SBA's position (please include payoff statement from lien holders); from the properties to be RELEASED and to be SUBSTITUTED as collateral.
5. Written verification that the NEW property offered as collateral-is not within a Special Flood Hazard Area (SFHA) (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. On property to be SUBSTITUTED as collateral.
6. Submission of insurance policy's declaration page(s) as proof of Hazard Insurance and/or Flood Insurance on property to remain as collateral, showing SBA as Mortgagee. MORTGAGEE CLAUSE is: 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) on property to REMAIN as collateral.
 - 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

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