

HUD 108 Loan Basic Due Diligence

Initial intake information in Red/Bold needed to determine Sec. 108 eligible activity and national objective. Second-tier information needed once eligibility screening is complete. ALL information would be required for financial underwriting and loan package write-up.

Non-Residential / Operating Business

- 1. Proposed borrower entity (including entity type, background, # years in existence or, if new, formation status)**
- 2. Detailed project description - # of square feet to be developed, types of uses, description of intended occupants**
- 3. Status of leasing or operating agreement – provide signed agreement or LOIs**
- 4. Expected job creation #'s – list of existing positions (if any) with salary range & # of FTEs; list of projected positions at completion with salary range & # of FTEs (see attached template)**
- 5. Preliminary Sources & uses with detailed project development budget, status of other financing (proposed, in review, committed)**
6. Preliminary project timeline with key milestones
7. Development team qualifications
8. Preliminary schematic design plans
9. 3rd party cost estimate with a detailed scope of improvements
10. Updates to detailed breakdown of sources & uses and status of other financing sources (Proposed/Committed/timing for commitment)
11. Projected Operating Cash Flow (income & expense) for operating business
12. 3 yrs audited financials & tax returns for borrowing entity AND 3-yrs personal tax returns for any person holding 20% or more interest in company
13. Site control or description of acquisition plan

Documents to provide when available:

14. Appraisal substantiating value – as-completed appraisal is required
15. Other financing commitment letters/documents (for bank loans – need signed term sheet; for equity – need copy of bank statement & signed commitment letter)
16. purchase agreement or other evidence of site control
17. Title Report & copies of all referenced documents
18. Contractor scope & schedule of values for GMP is required before loan docs signed
19. Design plans – complete Permit set