

# **ABC Company**

## **Section 1 - Borrowers and Industry Assessment**

Looking only at the numbers.

## **Section 2 - Loan Purpose**

- Renew their LOC, and increase it from \$125,000 to \$250,000 on the business.
- Refinance the loan on the building they originally started in before moving. Total value of the refinance is \$297,000, which is with another bank.

## **Section 3 - Financial Ratio Analysis**

**Perform the Loan Committee Exercise for the Business**

Section 4 - Cash flow Analysis

Perform the Loan Committee Exercise for the Business

The Real Estate Cash flow is summarized below

	ABC St Rents	123 St Rents	Totals	Expenses	Cash flow	Debt Service (Proposed)	DSCR
2013	5,601	80,467	86,068	2,498	83,570	51,791	_____
2014	33,839	61,858	95,697	5,660	90,037	51,791	_____

### Section 5 - Collateral Analysis

The LOC is backed by: See the following schedule

A/R Aging	Amount	Advance Rate	Borrowing Base
Eligible Current	560,428	75%	\$ _____, _____
Eligible 31-90 days past due	147,370	75%	\$ _____, _____
Over 90 days past due	65,283	0%	0
Ineligible Receivables			

Total \$ \_\_\_\_\_, \_\_\_\_\_ **Subtotal:** \$ \_\_\_\_\_, \_\_\_\_\_

A/R Eligibility overview		
Invoice terms: due not more than	90	from date of invoice
Eligible receivable: not more than	30	past due
Advance rate for eligible receivables	75%	

#### Inventory Advance

Raw Materials	411,670	50%	\$ _____, _____
Work In Process		50%	0
Finished Goods		0%	0

Total \$ \_\_\_\_\_, \_\_\_\_\_ **Subtotal:** \$ \_\_\_\_\_, \_\_\_\_\_

**Total Borrowing Base** \$ \_\_\_\_\_, \_\_\_\_\_

Total ZYZ Bank Debt 250,000 Surplus BB / (Short) BB \$ \_\_\_\_\_, \_\_\_\_\_

Loan to Value  
(% of BB Advanced) \_\_\_\_\_ %

The Real Estate is backed by:

Year Built	1967
Square Feet	3,801
Appraisal Date	2008
Appraised Value	\$415,000
Bank Exposure	\$297,000
Loan to Value	_____ %

## Section 6 - Guarantor Analysis

Looking only at the numbers.

## Section 7 - Transaction Summary

**Welcome to Loan Committee!** 😊