

## CRE Loan Application Checklist

Balboa CRE is excited for the opportunity to work with you! Please use this CRE Loan Application Checklist to help you anticipate the information and documents that we will need to fully process your loan submission.

### **Loan Processing & Underwriting requirements for initial loan approval**

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*Following items are required for ALL borrowers and guarantors on loan request*

- Completed and signed Loan Application that includes:
  - Loan Summary Sheet
  - Personal Financial Statement
  - Rent Roll
  - 1003 Application (if Purchase)
  - Schedule of Real Estate Owned
  - Credit Consent
- Prior two (2) years personal federal 1040 tax returns for all borrowers and guarantors
- Prior two (2) years business federal (1120, 1065, K-1s, etc) tax returns for all borrowers and guarantors
- Previous full year AND current Year-to-Date (YTD) Operating Statements on subject property
- Provide copies of prior two (2) months bank statements for ALL bank, brokerage, savings accounts
- For W-2 income borrowers, provide copy of most recent paystubs
- If applicable, provide a copy of most recent subject property tenant leases with amendments
- For Purchase, provide most recent copy of Purchase Agreement with any Counteroffers, Amendments, and/or Addendums
- If Refinance, provide Mortgage Statements for all properties owned as listed on Schedule E, including subject property
- If Refinance, provide verification of no prepayment penalty on current loan with a copy of current Note

### **Appraisal & Environmental items required prior to funding**

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- Balboa CRE will engage third-party Appraiser after signed and returned Pre-Approval Letter from borrowers
- If applicable, provide a copy of most recent appraisal report
  - + Borrower will pay Appraiser directly at time of inspection
  - + (Balboa CRE can accept reassigned appraisals that are less than 6 months old)
- Completed and signed Uniform Environmental History Questionnaire and/or Certificate
- Balboa CRE will require a Flood certificate determination on all loans
- Environmental Report to be obtained prior to closing on all loans
  - + Loans over \$1,000,000 may require a Phase 1 report (to be paid by borrower at time of inspection)
  - + EDR report required on all loans, level at the discretion of Balboa CRE

### **To complete Title & Escrow requirements on subject property and ALL borrowers prior to closing**

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- If entity, vesting entity operating agreement submitted to Balboa CRE and verified by escrow to substantiate signing authority of all authorized parties
- Prior to closing, all borrowers and guarantors will need to provide a current/valid Drivers License or Govt ID
- Prior to closing, all broker fees submitted to Escrow to obtain Estimated Closing Statement
- Prior to closing, borrower to provide property insurance and contact information

CRE Loan Summary Sheet

Submitting Broker: \_\_\_\_\_

Date: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Loan Purpose: \_\_\_\_\_

Borrowing Entity:  Individual  Corporation  Partnership  LLC  Trust

Borrower's Name: \_\_\_\_\_

Type of Loan:  Refinance  Purchase

Property Type:  Multifamily  Office  Industrial / Warehouse  Mixed-Use / Retail  Hotel / Motel  Medical / Commercial Condo

Property Address: \_\_\_\_\_

Loan Amount Requested: \$ \_\_\_\_\_

Estimated Value: \$ \_\_\_\_\_ Current Appraised Value: \$ \_\_\_\_\_

Existing 1st \$ \_\_\_\_\_ Lender: \_\_\_\_\_ Due: \_\_\_\_\_

Existing 2nd \$ \_\_\_\_\_ Lender: \_\_\_\_\_ Due: \_\_\_\_\_

Comments (include special circumstances / conditions)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Supplementary Items: Please include any other important information

- Color pictures of property
- Appraisal, Title, Environmental, Financial, Marketing Reports, etc

Applicant \_\_\_\_\_ Date \_\_\_\_\_

Co-Applicant \_\_\_\_\_ Date \_\_\_\_\_

Personal Financial Statement					
Applicant's Name and Address		Balboa Thrift and Loan 865 Amena Court Chula Vista, CA 91910 Creditor's Name and Address		TYPE OF CREDIT - CHECK THE APPROPRIATE BOX <input type="checkbox"/> Individual - only provide your info <input type="checkbox"/> Joint, with <input type="checkbox"/> Information on separate financial statement Relationship	
INDIVIDUAL INFORMATION			JOINT PARTY INFORMATION		
Business or Occupation			Business or Occupation		
Employer's Name & Address			Employer's Name & Address		
Length of Employment			Length of Employment		
Phone		Bus. Phone		Phone	
Date of Birth		S.S./Taxpayer ID #		Date of Birth	
Complete ALL Schedules on page 2 FIRST - If using this form in Excel, the cells are linked and will be automatically filled when Schedules are completed					
ASSETS			LIABILITIES		
Cash on Hand and in Banks	Sch A	-	Notes Due to Banks	Sch A	-
Cash Value of Life Insurance	Sch B	-	Notes Due to Relatives & Friends	Sch H	-
U.S. Government Securities	Sch C	-	Notes Due to Others	Sch H	-
Other Marketable Securities	Sch C	-	Accounts and Bills Payable	Sch H	-
			Loans on Life Insurance Policies	Sch B	-
			Contract Accounts Payable	Sch H	-
			Cash Rent Payable		-
<b>TOTAL LIQUID ASSETS</b>		<b>\$ -</b>	Other Liabilities Due within 1 year - Itemize		
Real Estate Owned	Sch E	-			
Mortgages & Contracts Owned	Sch F	-			
Notes & Accounts Receivable - current	Sch D	-	<b>TOTAL SHORT TERM LIABILITIES</b>		
Notes & Accounts Receivable - over 90 days	Sch D	-	RE Mortgages Payable	Sch E	-
Notes Due from Relatives & Friends	Sch D	-	Liens & Assessments Payable		-
Other Securities - Not readily marketable	Sch C	-	Other Debt - Itemize		-
Personal Property	Sch G	-			
IRA and Tax Deferred Accounts			<b>TOTAL LONG TERM LIABILITIES</b>		
Other Assets - Itemize (see attached)			<b>\$ -</b>		
<b>TOTAL PRODUCTIVE ASSETS</b>		<b>\$ -</b>	Total Liabilities		
<b>TOTAL ASSETS</b>		<b>\$ -</b>	Net Worth (TA minus TL)		
<b>TOTAL ASSETS</b>		<b>\$ -</b>	<b>TOTAL LIABILITIES AND NET WORTH</b>		
<b>\$ -</b>			<b>\$ -</b>		
ANNUAL INCOME			ESTIMATE OF ANNUAL EXPENSES		
Salary, Bonuses, and Commissions			Income Taxes		
Dividends and Interest			Other Taxes		
Rental and Lease Income (Net)			Insurance Premiums		
Other Income - Itemize			Mortgage Payments		
Provide the following information only if Joint Credit is checked above...			Rent Payable		
Other person's salary, bonuses, and commissions			Other Expenses		
Other Income of other person - Itemize					
<b>TOTAL</b>			<b>TOTAL</b>		
GENERAL INFORMATION			CONTINGENT LIABILITIES		
Are any Assets Pledged other than described above?	YES	NO	As endorser, co-maker or guarantor	YES	NO
Are you a defendant in any suits or legal actions?	YES	NO	On leases or contracts	YES	NO
Income tax return filed through what date?			Legal claims	YES	NO
Have you declared bankruptcy in the last 10 years?	YES	NO	Federal - State income taxes	YES	NO
Are you a partner or officer in any other venture?	YES	NO	Other		

Continue to page 2 to complete the Schedules summarized above

A CASH IN BANKS AND NOTES DUE TO BANKS -- List all Real Estate Loans in Schedule E					
Name of Bank	Type of Account	Type of Ownership	On Deposit	Notes Due Banks	Collateral (if any)
<input type="checkbox"/> See attached itemization		Cash on Hand			
<b>TOTAL</b>			\$ -	\$ -	

B LIFE INSURANCE -- List only those policies that you own					
Company	Face of Policy	Cash Surrender Value	Policy Loan from Insurance Co	Other Loan Policy as Collateral	Beneficiary
<b>TOTAL</b>			\$ -	\$ -	<input type="checkbox"/> See attached itemization

C SECURITIES OWNED -- Including U.S. Govt Bonds and all other Stocks and Bonds							
Face Value Bonds	Description - Indicate those not registered in your name	Type of Ownership	Cost	Market Value - US Govt Sec	Market Value Marketable Sec	Market Value not readily marketable	Amount Pledged to secured loan
<input type="checkbox"/> See attached itemization			<b>TOTAL</b>		\$ -	\$ -	\$ -

D NOTES AND ACCOUNTS RECEIVABLE -- Money payable or owed to you individually (indicate % of your ownership interest)							
Maker/Debtor	%	Original Amount	When due	Balance Due Current Accounts	Balance due over 90 days	Balance due Notes Relatives/Friends	Security (if any)
<input type="checkbox"/> See attached itemization			<b>TOTAL</b>		\$ -	\$ -	\$ -

E REAL ESTATE OWNED -- Indicate % ownership of your interest									
Title in name of	Description & Location	Date Acquired	%	Original Cost	Present Value	Balance Due	Payment	Maturity	
<input type="checkbox"/> See attached itemization				<b>TOTAL</b>		\$ -	\$ -		

F MORTGAGES AND CONTRACTS OWNED -- Indicate % ownership of your interest											
Name	Address	Contract	Mortgage	%	Property Covered	Starting Date	Payment	Maturity	Balance Due		
<input type="checkbox"/> See attached itemization									<b>TOTAL</b>		\$ -

G PERSONAL PROPERTY -- Indicate % ownership of your interest							
Description	%	Date when new	Cost when new	Value today	Balance Due	To whom payable	
<input type="checkbox"/> See attached itemization				<b>TOTAL</b>		\$ -	

H NOTES -- ACCOUNTS, BILLS, & CONTRACTS							
Payable to	Other Obligors (if any)	When due	Notes due to Relatives/Friends	Notes due "others"	Accounts and bills	Contracts payable	Collateral Payable (if any)
<input type="checkbox"/> See attached itemization			<b>TOTAL</b>		\$ -	\$ -	\$ -

This information and the information provided on all accompanying financial statements and schedules is provided for the purposes of obtaining credit for Applicant(s) or for the purposes of Applicant(s) guaranteeing credit for others. Applicant(s) acknowledge that representations made in this Statement will be relied on by Creditor in its decision to grant such credit. This Statement is true and correct in every detail and accurately represents the financial condition of the Applicant(s) on the date given below. You are authorized to make all inquiries you deem necessary to verify the accuracy of the information contained herein and to determine the creditworthiness of the undersigned. Applicant(s) will promptly notify Creditor of any subsequent changes which would affect the accuracy of this Statement. Creditor is further authorized to answer any questions about Creditor's credit experience with Applicant(s). Applicant(s) are aware that any knowing or willful false statements regarding the value of the above property for purposes of influencing the actions of Creditor can be a violation of federal law 18 U.S.C sec 1014 and may result in a fine or imprisonment or both.

In addition, each individual signing below authorizes the Creditor to check their individual credit account and employment history and have a credit reporting agency prepare a credit report on them.

The undersigned declares that he/she has read and understands the statements above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature (other person, if applicable)

\_\_\_\_\_  
Date

**SCHEDULE OF REAL ESTATE OWNED**

Please complete the below sections as completely as possible. **Complete for each applicant.** The Net Rental Income cells are setup as equations. Please input the necessary information for Gross Annual Rental Income, Annual Operating Expenses, and Annual Mortgage Payments to get the Net Rental Income amount. If you have any questions, please contact Joseph Morstad directly at 619-397-7774. Thank

**Borrower Name:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

PROPERTY INFORMATION							LOAN INFORMATION			ANNUAL OPERATING INFORMATION			
Property Address	% of ownership	Property Type	# of units	Acquisition Date	Original Purchase \$	Market Value	Current Lender	Loan Maturity Date	Balance of Mortgage	Gross Annual Rental Income	Annual Operating Expenses	Annual Mortgage Payments	Net Rental Income
	100%					\$ -			\$ -	\$ -	\$ -	\$ -	\$ -
	100%					\$ -			\$ -	\$ -	\$ -	\$ -	\$ -
	100%					\$ -			\$ -	\$ -	\$ -	\$ -	\$ -
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	100%					\$ -			\$ -	\$ -	\$ -	\$ -	\$ -
	100%					\$ -			\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>						\$ -			\$ -	\$ -	\$ -	\$ -	\$ -
<b>% OWNED TOTAL</b>						\$ -			\$ -	\$ -	\$ -	\$ -	\$ -

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

**SCHEDULE OF BUSINESS DEBT**

**Company Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**INDEBTEDNESS:** Furnish the following information on all installment debts, contracts, notes, business credit cards and mortgage payables. Indicate by an asterisk (\*) items to be paid by loan proceeds and reason for paying same (present balance should agree with latest balance sheet submitted). Do not include accounts payable or accrued liabilities.

Creditor Name / Address	Present Balance	Monthly Payment	Original Date*	Original Amount	Interest Rate	Maturity Date	Collateral / Security
<b>TOTALS**</b>	-	-					

\* Date should be the same as interim Financial Statement

\*\* Total must agree with balance shown on interim balance sheet

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Applicant's Signature

\_\_\_\_\_  
Date



# Certification and Authorization

**Applicant:**

**Lender:** Balboa Thrift and Loan  
865 Amena Court  
Chula Vista, CA 91910

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## CERTIFICATION

### To Balboa Thrift and Loan ("Lender"):

- 1 Applicant (and co-applicant if applicable), \_\_\_\_\_, has applied for a loan from Lender. In applying for the loan, Applicant provided to Lender various information about Applicant and the requested loan, such as the amount and source of any down payment, income information, and assets and liabilities. Applicant certifies that all of the information is true and complete. Applicant made no misrepresentations to Lender, nor did Applicant omit any important information.
- 2 Applicant understands and agrees that Lender may verify any information provided to Lender concerning Applicant's application, including, but without limitation, verifications from financial institutions of the information provided.
- 3 Applicant fully understands that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements when applying for this loan, as applicable under the provisions of Title 18, United States Code, Section 1014.

## AUTHORIZATION TO RELEASE INFORMATION

### To Whom it may concern:

- 1 Applicant has applied for a loan from Balboa Thrift & Loan ("Lender "). As part of the application process, Lender, any insurer of the loan and any collateral title insurer may verify information Applicant provided to Lender either before or after the loan is closed.
- 2 Applicant authorizes you to provide to Lender, to any investor to whom Lender may sell Applicant's loan, and to any insurer of the loan any and all information and documentation that they may request. Such information may include, but is not limited to, income; bank, money market, and similar account balances; credit history; and copies of income tax returns.
- 3 Lender, any investor that purchases the loan, and any insurer of the loan may address and send this authorization to any person or company named in the loan application.
- 4 A copy of this authorization may be accepted as an original.
- 5 Your prompt reply to Balboa Thrift & Loan, to any investor that purchases the loan, and to any insurer of the loan is appreciated.

## Authorization to File Financing Statement

Applicant hereby authorizes Lender to file the appropriate Financing Statements for the following collateral prior to executing a security agreement, pledge, or control agreement:

APPLICANT:

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Applicant

\_\_\_\_\_  
Date



PROPERTY ADDRESS	CITY	STATE	ZIP CODE
NAME OF PERSON	DATES OF OWNERSHIP		OTHER WAY FAMILIAR WITH PROPERTY
	FROM	TO	FROM TO
INTERVIEWER	DATE	TELEPHONE ( )	
ADDRESS	CITY	STATE	ZIP CODE

**This form is used to report the results of an interview with the current or former owner or others familiar with the property about known *Hazardous Substances* or *Detrimental Environmental Conditions* on or around the subject property. When signed by the interviewer it becomes their certificate.**

ASBESTOS	YES	NO	COMMENT ON ALL "YES'S (ADDITIONAL SPACE ON PAGE 2)
1. Are you aware of any asbestos on your property?	<input type="checkbox"/>	<input type="checkbox"/>	
A. Pipe covering	<input type="checkbox"/>	<input type="checkbox"/>	
B. Heating/Hot water unit covering	<input type="checkbox"/>	<input type="checkbox"/>	
C. Tile	<input type="checkbox"/>	<input type="checkbox"/>	
D. Sliding	<input type="checkbox"/>	<input type="checkbox"/>	
E. Other:	<input type="checkbox"/>	<input type="checkbox"/>	
2. Are you aware of any asbestos survey being performed on your property?	<input type="checkbox"/>	<input type="checkbox"/>	
3. Are you aware of any asbestos tests being conducted on materials from your property?	<input type="checkbox"/>	<input type="checkbox"/>	

PCBs (Polychlorinated Biphenyl's)	YES	NO	COMMENT ON ALL "YES'S (ADDITIONAL SPACE ON PAGE 2)
4. Are you aware of any PCBs on your property?	<input type="checkbox"/>	<input type="checkbox"/>	
5. Are you aware of any PCBs on any neighboring properties that might contaminate your property?	<input type="checkbox"/>	<input type="checkbox"/>	

RADON	YES	NO	COMMENT ON ALL "YES'S (ADDITIONAL SPACE ON PAGE 2)
6. Are you aware of any radon tests made on the property?	<input type="checkbox"/>	<input type="checkbox"/>	
7. If so, was radon test made more than 12 months ago?	<input type="checkbox"/>	<input type="checkbox"/>	
8. Were the results over 4 pCi/1? (If so, report actual figures).	<input type="checkbox"/>	<input type="checkbox"/>	
9. To the best of your knowledge, do any properties within 1 mile have radon levels over 4 pCi/1?	<input type="checkbox"/>	<input type="checkbox"/>	
10. Are you aware of any evidence that nearby structures have elevated indoor levels of radon or radon progeny?	<input type="checkbox"/>	<input type="checkbox"/>	
11. Are you aware of any information that indicates the local water supplies have been found to have elevated levels of radon or radium?	<input type="checkbox"/>	<input type="checkbox"/>	
12. Are you aware of any properties within one mile of your property or any sites that were or currently are used for uranium, thorium or radium extraction or for phosphate processing?	<input type="checkbox"/>	<input type="checkbox"/>	

SOIL CONTAMINATES – Underground Storage Tanks	YES	NO	COMMENT ON ALL "YES'S (ADDITIONAL SPACE ON PAGE 2)
12. Are you aware of any underground storage tanks presently on the property?	<input type="checkbox"/>	<input type="checkbox"/>	
13. Are you aware of any underground storage tanks which were previously removed from the property. (If so, note date).	<input type="checkbox"/>	<input type="checkbox"/>	
14. Are you aware of any site survey made by a qualified engineer which indicates the property is free of USTs?	<input type="checkbox"/>	<input type="checkbox"/>	
16. Are you aware of any petroleum storage and/or delivery facilities (including gas stations) or chemical manufacturing plants located within one mile of the property?	<input type="checkbox"/>	<input type="checkbox"/>	

**Continue to page 2**

(Continued)

**This form is used to report the results of an interview with the current or former owner or others familiar with the property about known *Hazardous Substances* or *Detrimental Environmental Conditions* on or around the subject property. When signed by the interviewer it becomes their certificate.**

WASTE SITES	YES	NO	COMMENT ON ALL "YES'S (ADDITIONAL SPACE BELOW)
17. Are you aware of any physical testing (including on-site sampling of soil and groundwater) to determine if the property is free of waste contamination?	<input type="checkbox"/>	<input type="checkbox"/>	
18. Do you know if the property was ever used for research, industrial or military purposes?	<input type="checkbox"/>	<input type="checkbox"/>	
19. Do you know if the owners have ever occupied the property or commercial tenants who are likely to have used, transported or disposed of toxic chemicals (e.g. dry cleaners, print shops, service stations, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	
20. Do you know if there is any water provided to the property from a well or private water company?	<input type="checkbox"/>	<input type="checkbox"/>	
21. Do you know if the property or any site within one mile, appears on any state or federal list of hazardous waste sites (e.g. <b>CERCLIS, HWDMS</b> , etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	
22. Do you know of any visible evidence or documents that indicate there is or was dangerous waste handling on the property or neighboring sites (e.g. stressed vegetation, stained soil, open or leaking containers, foul fumes or smells, oily ponds, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	

UREA (Formaldehyde)	YES	NO	COMMENT ON ALL "YES'S (ADDITIONAL SPACE BELOW)
23. Do you know if the property contains UREA Formaldehyde Foam Insulation? (If yes, note location and amount).	<input type="checkbox"/>	<input type="checkbox"/>	

LEAD PAINT	YES	NO	COMMENT ON ALL "YES'S (ADDITIONAL SPACE BELOW)
24. Do you know if the property was tested for lead paint?	<input type="checkbox"/>	<input type="checkbox"/>	
25. Do you have any reason to believe that the property contains lead paint?	<input type="checkbox"/>	<input type="checkbox"/>	

DRINKING WATER	YES	NO	COMMENT ON ALL "YES'S (ADDITIONAL SPACE BELOW)
26. Do you know if the drinking water was ever tested for lead? (If yes, note date and results).	<input type="checkbox"/>	<input type="checkbox"/>	
27. Do you know if any other tests were ever made on the drinking water? (If yes, describe and note results).	<input type="checkbox"/>	<input type="checkbox"/>	
28. Do you have reason to believe there was or is any problem with the quality or quantity of drinking water available at the property?	<input type="checkbox"/>	<input type="checkbox"/>	

AIR POLLUTANTS	YES	NO	COMMENT ON ALL "YES'S (ADDITIONAL SPACE BELOW)
29. Do you know if the interior air was ever tested?	<input type="checkbox"/>	<input type="checkbox"/>	
30. Do you have any reason to believe that there was or is any problem with the interior or exterior air of the property?	<input type="checkbox"/>	<input type="checkbox"/>	

OTHER ENVIRONMENTAL HAZARDS	YES	NO	COMMENT ON ALL "YES'S (ADDITIONAL SPACE BELOW)
31. Are you aware of any other hazardous substances or detrimental environmental conditions that effect the property?	<input type="checkbox"/>	<input type="checkbox"/>	
32. Are you aware of any environmental reports that were or are being performed on the property?	<input type="checkbox"/>	<input type="checkbox"/>	

ADDITIONAL COMMENTS:

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<b>I CERTIFY UNDER PENALTY OR PERJURY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT AS OF:</b>			DATE
SIGNATURE	DATE	CURRENT OR FORMER PROPERTY OWNER	DATE
SIGNATURE	DATE	CURRENT OR FORMER PROPERTY OWNER	DATE