CDC 503/504 LIQUIDATION PLAN FORMAT

The following Liquidation Plan is being forwarded for the Fresno Commercial Loan Service Center's approval under the 504 Liquidation Program.

Lender Information:

Name of CDC:			
Number of CDC:			
Address of CDC:			
Contact Person:			
Contact Telephone:		Contact Fax:	

Borrower Information:

SBA Loan Number:		Loan Type (503/504):	
Borrower Name:			
Collateral Address:			
Loan Orig. Date:		Original Loan Amount:	
Maturity Date:		Current Loan Amount:	
Debenture Issue Date:		Monthly Installment:	
Semi-annual Date:		Prepayment Premium:	
# of payments Past Due:		Amount Past Due:	

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DETAILS OF LIQUIDATION PLAN

Responses are required on all items listed below. Place cursor inside box below each item and begin typing.

1. **Justification for transfer to "liquidation" status:**

   (e.g., Non-Payment, Bankruptcy (attach 341 Notice - Meeting of Creditors), Property Abandoned, 3rd Party Litigation/Foreclosure by Prior Lien Holder, Business Closed, other).

2. **Cause of business breakdown & workout attempts:**

   Attach copy of the most recent field visit report or memo. SBA requires that a field visit be made within 60 days of unremedied default in payment, or as soon as possible after default in assets of significant value may be in jeopardy, or within 15 days of any event causing an "in-liquidation" situation (such as bankruptcy, business shutdown or foreclosure on major collateral). If bankruptcy, consult with counsel before contacting borrower.

3. **Describe any "non-504" loans borrower is obligated on, guarantor or principal:**

   If none, state so. If yes, please attach copies of loan documentation (e.g., Note, Security Agreement, UCC filings, Deed of Trust, Mortgage, etc.) and a proposal as to how you will allocate and share expenses and and funds recovered.

4. **Describe any relationships between the CDC and /or its principals or agents and the borrower or its principals or any guarantor(s):**

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5. **List name, address, SSN and Tax ID# for all obligors and guarantors:**

   Include draft copies of demand letters that will be sent. Comment on any life insurance which is still in force.

6. **List name, address, phone number and estimate of fees of CDC's outside counsel if attorney fees will be paid: (Inside counsel's cost to be included in O/B staff in paragraph 8).**

   Include the hourly rate, estimated number of hours and a brief description of services to be provided.

7. **General Recovery Plan:**

   Briefly describe the proposed liquidation process and the estimated time. Discuss actions to be taken to dispose of all collateral (e.g., voluntary sale, abandonment, judicial or nonjudicial foreclosure, public auction, compromise settlement, deed in lieu, etc.).

   It is important to comment on any potential environmental/toxic concerns, whether hazard insurance is in effect, or if purchase of insurance is recommended, and if there are any significant items of collateral missing

   If it appears the liquidation value of all collateral is insufficient to fully repay the loan, include discussion of what other options are considered feasible compared with the estimated costs to pursue (e.g., litigation against guarantors). SBA procedures require the business assets be liquidated first and compromise alternatives be explored, if feasible, prior to foreclosure against a personal residence. State how each cost of liquidation will be paid and by whom: advanced by CDC, paid from sale proceeds, paid by SBA.

8. **Estimate of Liquidation Recovery**

   Please enter this information in the tables provided on the following pages.

   Note: *Attach supporting documentation: copies of prior/current real and personal property appraisal summaries, copies of the field visit report/memo, and the executive summary of any environmental reports.*

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ESTIMATE OF LIQUIDATION RECOVERY

Primary Collateral

Place cursor inside boxes below and begin typing. Tab to next box.

Description(s) of primary real estate held as collateral

Fill in actual or estimated expenses as applicable:

	#1 R/E	#2 R/E	#3 R/E	TOTAL
Original Appraisal Value:				
Current Appraisal Value:				
Current Recovery Estimate:				

Less senior liens/taxes:

1st:				
2nd:				
3rd:				
Estimated Net Value:				

Expense Category:

R/E Appraisal:				
Environmental Reports:				
Insurance Coverage:				
Legal Fees:				
C&P Collateral:				
Escrow Commision:				
O/B Staff Level #1:				
O/B Staff Level #2:				
O/B Staff Level #3:				
Trustee F/C:				
Auction Sale Expense:				
Other:				
Estimated Net Recovery:				

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ESTIMATE OF LIQUIDATION RECOVERY

Primary Personal Property

Place cursor inside boxes below and begin typing. Tab to next box.

Provide descriptions of all M&F, F&F, etc.

Fill in actual or estimated expenses as applicable:

	#1 R/E	#2 R/E	#3 R/E	TOTAL
Original Appraisal Value:				
Current Appraisal Value:				
Current Recovery Estimate:				

Less senior liens/taxes:

1st:				
2nd:				
3rd:				
Estimated Net Value:				

Expense Category:

R/E Appraisal:				
Environmental Reports:				
Insurance Coverage:				
Legal Fees:				
C&P Collateral:				
Escrow Commision:				
O/B Staff Level #1:				
O/B Staff Level #2:				
O/B Staff Level #3:				
Trustee F/C:				
Auction Sale Expense:				
Other:				
Estimated Net Recovery:				

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ESTIMATE OF LIQUIDATION RECOVERY

Other Sources of Recovery

Place cursor inside boxes below and begin typing. Tab to next box.

Description(s) of primary real estate held as collateral

Fill in actual or estimated expenses as applicable:

	#1 R/E	#2 R/E	#3 R/E	TOTAL
Original Appraisal Value:				
Current Appraisal Value:				
Current Recovery Estimate:				

Less senior liens/taxes:

1st:				
2nd:				
3rd:				
Estimated Net Value:				

Expense Category:

R/E Appraisal:				
Environmental Reports:				
Insurance Coverage:				
Legal Fees:				
C&P Collateral:				
Escrow Commision:				
O/B Staff Level #1:				
O/B Staff Level #2:				
O/B Staff Level #3:				
Trustee F/C:				
Auction Sale Expense:				
Other:				
Estimated Net Recovery:				

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CDC RECOMMENDATION:

Semi-Annual date is: _____

☐ Puchase debenture as outlined above.

☐ Do not purchase debenture due to the following: (Please begin typing in the cell below)

Date:	
Name:	
Title:	
Signature:	

SBA'S FINAL ACTION:

The CDC's recommended liquidation plan is hereby

☐ Approved

☐ Declined

☐ Modified in the following manner: (Please begin typing in the cell below)

Date:	
Name:	
Title:	
Signature:	

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