

**U.S. SMALL BUSINESS ADMINISTRATION
APPLICATION FOR SECTION 504 LOAN**

PART D

Instructions for Third Party Lender Certification for Loans Made For Debt Refinancing

The Third Party Lender must provide the following certifications in its commitment letter submitted as Exhibit 17 of SBA Form 1244, Application for Section 504 Loan.

The Third Party Lender certifies that it has no reason to believe that the following statements are not true:

1. Either:

- (a.) Substantially all (85% or more) of the proceeds of the indebtedness being refinanced were used to acquire and Eligible Fixed Asset (e.g. land, including a building situated thereon, to construct a building thereon, or to purchase equipment) and the remaining amount (15% or less) was incurred for the benefit of the small business seeking the refinancing; or
- (b) If the Eligible Fixed Asset(s) was (were) originally financed through a commercial loan (the "original loan") that was subsequently refinanced one or more times:
 - (i) substantially all (85% or more) of the proceeds of the original loan was used to acquire an Eligible Fixed Asset (e.g., land, including a building situated thereon, to construct a building thereon, or to purchase equipment) and the remaining (15% or less) was incurred for the small business seeking the refinancing; and
 - (ii) the existing debt is the most recent refinancing of the original loan.

2. All of the proceeds of the indebtedness being refinanced were used for the benefit of the small business.

3. For Same Institution Debt:

For Debt Refinancing as Part of an Expansion

If the indebtedness being refinanced is debt of the Third Party Lender, or any of its affiliates, (Same Institution Debt), the Third Party Lender must certify that it is not in a position to sustain a loss causing a shift to SBA or all or part of a potential loss from the existing debt.