



SBA 7(a) SECONDARY MARKET PROGRAM

SBA FORM 1086 FIELD DESCRIPTIONS

TO BE COMPLETED BY LENDER:

Page – Field #	Field Name	Description	Example
1-1	SBA Loan Number	The 10-digit numerical SBA-assigned loan identification number.	1234567890
2-2A	Lender	Institution that is selling the loan.	Main Street Bank
2-2B	Address	Lender's address.	123 Main Street Anytown, DC 20000
2-2C	Contact Person	Primary contact at lending institution.	Joe Banker
2-2D	Telephone	Contact Person's telephone number.	202-555-5555 ext. 123
2-2E	Borrower	Name of individual/entity that received the loan.	XYZ Small Business
2-2F	Address	Borrower's address.	100 State Street Anytown, DC 20000
3-3A	Date of 750 Agreement	Date on the Agreement that allows Lender to originate and service SBA loans.	10/02/92
3-3B	Percent of SBA Guaranty	The percentage stated on SBA's Loan Authorization (SBA Form 529B) or any attached modification or allonge.	75%
3-3C	Date of Note	Date indicated on the Note (SBA Form 147).	05/22/99
3-3D	Original Face Amount \$	Original amount of the loan as found on the Note (SBA Form 147) or any attached modification or allonge.	\$670,000.00
3-3E	SBA Loan Authorization Date	Date of Loan Authorization Agreement (SBA Form 529B).	05/02/99
3-3F	Outstanding Principal Amount \$	Outstanding Principal at the time the 1086 is being completed. This may be subject to update immediately prior to settlement.	\$660,000.00
3-3G	Outstanding Principal Amount of Guaranteed Interest \$	Guaranteed portion of the amount listed in previous field (Field 3F). This may be subject to update immediately prior to settlement.	\$660,000.00 x 75% = \$495,000.00
3-4A	The SBA Guaranty Fee was Paid on	Date on which the guaranty fee was paid by Lender to SBA. This fee must be paid before the 1086 is sent to the FTA.	05/29/99
3-4B	Date of First Disbursement of Loan	Date when the first disbursement was made to the borrower on this loan.	05/23/99
3-4C	Date of Final Disbursement of Loan	Date when the final disbursement was made to the borrower such that the amount undisbursed is zero.	06/23/99
3-4D	Guaranteed portion has a fixed rate or variable rate (check one)	Interest rate as stated on the Note (SBA Form 147).	Variable



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SBA FORM 1086 FIELD DESCRIPTIONS

TO BE COMPLETED BY LENDER (CONTINUED):

Page – Field #	Field Name	Description	Example
3-4E	Unguaranteed portion has a fixed rate or variable rate (check one)	Interest rate as stated on the Note (SBA Form 147).	variable
3-4F	Interest is paid to, but not including	The date interest is paid to at the time the 1086 is being completed. This may be subject to update immediately prior to settlement. Loan can be paid no more than 60 days in arrears or more than 90 days into the future as of settlement date.	07/01/99 settlement: 5/2/99 - 9/28/99 are acceptable paid-to-dates
3-4G	Interest is calculated on 30/360 or Actual Days/365 (check one)	Indicate the calendar basis that is being used to calculate interest per diem. The calendar basis selected will be maintained for the life of the loan.	Actual Days/365
4-5A	Lender's Permanent Fee	Applies to sold portions of variable and fixed rate loans. Fee is negotiated between Lender and the first Purchaser prior to the settlement. Fee remains constant for the life of the loan. Minimum fee is .40% (as of 1995) for discount and par sales; 1.00% for premium sales.	3.375%
4-5B	Lender's Initial Fee*	Applies to sold portions of variable rate loans only. Fee is negotiated between Lender and the first Purchaser prior to the settlement. Loan may have an initial Lender's servicing fee during the period between final disbursement and the first interest adjustment date. * Must conform to minimum fee requirements described in 5A.	3.25%
4-6A	Price paid by Purchaser: \$	Price agreed to be paid by first Purchaser to Lender (in dollars). (Guaranteed Outstanding Balance) x (% of Par) = (Price paid by Purchaser)	$\$495,000 \times 100.125\% =$ $\$495,618.75$
4-6B	% of Par	Price agreed to be paid by first Purchaser to Lender (as a %).	100.1250%
4-7A	Constant Annual Prepayment Rate assumption ____% per annum	Information quoted by first Purchaser to the Lender. CPR is the annualized percentage monthly prepayment rate. By selecting a CPR at which the principal is repaid, cash flows can be more accurately estimated, making the assumption that prepayments are spread out over time.	14.20% per annum
4-7B	Certificate Interest Rate: ____% (Borrower's Note rate less applicable fees)	Fixed Rate: Borrower's Rate - Lender's Servicing Fee - SBA's and FTA's Fees Variable Rate: Index Spread - Lender's Servicing Fee - SBA's and FTA's Fees	$8.25\% - .75\% - .625\% =$ 6.875% $\text{Prime} + 2.00\% - 3.375\% -$ $.625\% = \text{Prime} - 2.00\%$
4-7C	Certificate Cap ____% (if applicable)	If variable rate loan with a cap – as stated on the Note, net of Lender's Servicing Fee, SBA's and FTA's fees.	$\text{cap of } 13.0\% - 3.375\% -$ $.625\% = 9.00\%$
4-7D	Certificate Floor ____% (if applicable)	If variable rate loan with a floor – as stated on the Note, net of Lender's Servicing Fee, SBA's and FTA's fees.	$\text{floor of } 6.00\% - 3.375\% -$ $.625\% = 2.00\%$
4-8A	Mortgage Yield: (Fixed Rate Loan) ____%	If fixed rate loan – yield quoted by first Purchaser.	6.72%
4-8B	(Variable Rate Loan) Prime (+/-) ____%	If variable rate loan – yield quoted by first Purchaser.	-2.32%



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TO BE COMPLETED BY PURCHASER:

Page - Field #	Field Name	Description	Example
21-13A	Registered Holder	Name of the Registered Holder (first Purchaser). Same as that indicated on page 4 of the 1086.	ABC Securities
21-13B	By:	Authorized signature of the Registered Holder.	John King
21-13C	Title:	Title of person named in Field 13B.	Vice President
21-13D	Date:	Date person named in Field 13B signed the 1086.	07/24/99

TO BE COMPLETED BY COLSON:

Page - Field #	Field Name	Description	Example
21-15A	Examined and Accepted by Fiscal and Transfer Agent by:	Authorized signature of Colson Services Corp. Signed after the 1086 has been checked for accuracy and found to be in proper order.	Mona Colsonite
21-15B	Date	Day of the month on which the 1086 is executed by Colson.	
21-15C	Date	Month in which the 1086 is executed by Colson.	
21-15D	Date	Year in which the 1086 is executed by Colson.	