



# LENDER DUE DILIGENCE CHECKLIST

## Module 7 – Video 4

# LENDER DUE DILIGENCE CHECKLIST

## Lender Due Diligence Checklist

This list contains the items a lender will typically request to complete its due diligence to issue a commercial mortgage. However, there may be additional items from case to case. Please check with your mortgage broker and your lender.

The last part of this document contains a checklist of items you can send to your mortgage broker as soon as you put a deal under contract to get a head start on due diligence and strengthen your case with potential lenders.

Lender Due Diligence Checklist		
Structural, Personal & Corporate Due Diligence Items	Sent	Date
Organizational chart showing every person or entity in chain of ownership		
Principals' biographies		
Principals' resumes		
Personal financial statements for all principals, guarantors, and persons with 20% or more direct or indirect ownership interest		
Articles of formation for each corporate entity		
Partnership agreement or by-laws for each corporate entity		
Certificate of good standing for all relevant states for each corporate entity		
Resolution approving loan for each corporate entity		
Management company resume, brochure, and list of properties managed		

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Lender Due Diligence Checklist		
Third-Party Reports	Sent	Date
Survey		
Title commitment & exception documents; and pro forma title policy with required endorsements		
Zoning report, including Certificate of Occupancy		
Environmental report		
Physical condition assessment (PCA)		
Appraisal		
Financial Due Diligence Items	Sent	Date
Certified Operating Statements		
Certified Rent Roll		
Personal property inventory		
Sample lease from management company		
Two signed leases from current tenants		
Other Due Diligence Items	Sent	Date
Lender site visit		
Signed property management agreement		
Evidence of insurance coverage		
Borrower counsel legal opinion		
Real estate broker's property offering package		
Property photos		

# LENDER DUE DILIGENCE CHECKLIST

Due Diligence Jumpstart Materials List (for Mortgage Broker)	
Organizational chart showing every person or entity in chain of ownership	
Principals' biographies	
Principals' resumes	
Personal financial statements for all principals, guarantors, and persons with 20% or more direct or indirect ownership interest	
Recent credit reports for all principals	
Investment property ownership history for all principals	
Management company's brochure, resume, and list of properties managed	
Real estate broker's offering package	
Pictures of property in your possession	
Property operating statements (most recent T12 and last year end)	
Property rent rolls for last 3-6 months	
Your latest underwriting (not to be shared with lender)	
Name and contact information of: <ul style="list-style-type: none"> <li>• Closing attorney</li> <li>• Corporate attorney (if doing a syndication)</li> <li>• Title agent</li> <li>• Zoning expert</li> <li>• Surveyor</li> <li>• Insurance broker</li> <li>• Real estate broker</li> </ul>	