

WORKSHEET 9.1

Loan Analysis

1. Outline the practical aspects of the loan request:

Amount: \$ _____

Time period: _____

Interest bearing? Yes No. If yes, percent? _____

Purpose: _____

Is the amount reasonable for the need? Yes No.

Will there be a formal contract? Yes No.

Will there be a provision for extension? Yes No.

Is there a possibility of default? Yes No.

What will be used as collateral? _____

2. Decide on your contingency provisions:

If there is difficulty with repayment will I want to have mediation? If so, will it be paid for equally or by the organization? _____

Will I accept a trade in lieu of cash repayment? If so, what?

3. Answer the following questions about the organization:

a. Who's asking, and do I respect and trust them?

b. What is the opinion of community or leadership sources?

c. Does the organization have a solid financial track record?

d. Is this a crisis or temporary transition? If it is a crisis, is this a pattern and can the loan help to change that?

e. Where will the funds for repayment come from?

f. How healthy does the agency seem to me?

1	2	3	4	5
Thriving				Brink of disaster

What will the impact of my loan be at this time?
