

Annual Loan Review

WIFA Policy #: III.2

Purpose:

Establish policy to define the annual loan review content and schedule.

Policy:

Each year WIFA staff will initiate an annual financial review of all loans.

WIFA will confirm the category of each loan reviewed as either Qualified or Not Qualified in accordance with Policy III.9.

In accordance with Procedure III.2.1, the annual loan review shall include:

- Review of material events
- Review of most recent financial statements
- Review of outstanding balance of loan
- Review of debt service reserve and repair and replacement reserve
- Confirm/verify debt service coverage ratio for current and projected years
- Review payment history and timeliness
- Review/confirm contact information
- Review Single Audit compliance
- Review approved budgets
- Review UCC filing status

Based on the annual loan review findings, WIFA staff may:

1. Take all necessary actions to compel conformance with the loan agreement.
2. De-obligate loan balances.
3. Notice interested parties in accordance with WIFA's Master Indenture about actions to reclassify loans to or from Qualified and Not Qualified.
4. Update contact information.
5. Address any Single Audit Findings with borrowers and request resolution.

Responsibility: Chief Financial Officer and Controller

Statutory Reference: A.R.S. Title 49, Chapter 8

Rule Reference: NA

Original Issue Date: February 15, 2006

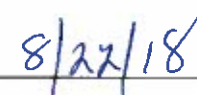
Previous Amendment Date(s): April 18, 2007, October 20, 2010, October 17, 2012

Most Recent Amendment Date: August 22, 2018 (*Replaces All Previous Versions*)

Approval:



Executive Director



Date