



Basic Commercial Lending

Commercial lending at community banks is relationship-based, and often requires understanding both the borrower's and owner's repayment capacity. This school focuses on many of the basic underwriting fundamentals required in underwriting commercial loans for operating companies as well as 1-4 family rentals and simple owner-occupied real estate. The following topics will be addressed:

- Identifying differences in various legal entities and the difference between profit and cash flow
- Analyzing individual tax returns to identify multiple potential sources of cash flow
- Analyzing business tax returns to determine the business operating gross and net cash flows
- Understanding cash paid to the individual owners/guarantors and its impact on the business
- Assessing a true, "global" picture of an individual's various cash flow sources
- Digging deeper into the income statement and balance sheet of a company through the most commonly-collected business financials by smaller banks – the business tax return
- Determining sources and uses of cash for a business beyond the simple cash flow approach
- Identifying the basic concepts of commercial real estate structure and analysis
- Discussing basic factors to consider for 1-4 family investment properties and owner-occupied commercial real estate properties
- Identifying the traits of a good candidate for unsecured lending

Who Should Attend: Any bank personnel desiring to learn the basics of commercial lending.

Location & Time: At our computer training facility in Raleigh, North Carolina. Credit Risk Management, L.L.C. is located at GlenLake One, 4140 Parklake Avenue, Suite 510, Raleigh, NC, 27612. Class begins on **Tuesday, April 20, 2010** and ends on **Thursday, April 22, 2010**. All class sessions start at **9:00 a.m.** and end at **4:30 p.m.** Dress is Business Casual.

Cost:

1 person @ \$325/day	\$975 per person
2 or more participants @ \$275/day	\$825 per person
CRM Credit Manual Client @ \$250/day	\$750 per person

***Other Credit Risk Management Training this year: (mark your calendars)**

- **Loan Documentation – May 5, 2010**
- **Lending Compliance Solutions – May 6, 2010**
- **Commercial Real Estate Lending – May 18-20, 2010**
- **CRM Toolbar Training – May 26-27, 2010**
- **Understanding Real Estate Appraisals – June 2-3, 2010**
- **Consumer Lending School – June 15-16, 2010**
- **Small Business Lending – June 17, 2010**

Registration: To enroll, register on-line at <http://www.creditriskmgt.com/go.php>. We will invoice you once we have received your registration form. A packet will be sent to each participant that includes directions as well as hotel and restaurant information. Please contact us with any questions at 919-846-1601 or CRMTrainingMailbox@creditriskmgt.com.