Commercial Real Estate Loan Closing Checklist

CONVENTIONAL TEXAS COMMERCIAL LOANS

> General information, not legal advice. Using this checklist does not create an attorney-client relationship. Program rules change often; always follow the current SBA, USDA or FSA requirements and the terms of the loan's authorization or commitment, which control over this list. Kennedy Sutherland LLP is a private law firm. It is not affiliated with or endorsed by SBA, USDA or FSA.

Borrower and guarantors

- ☐ Certificate of formation, company agreement or bylaws, resolutions and incumbency
- ☐ Good standing with the Texas Secretary of State and the Comptroller
- ☐ Customer identification and beneficial ownership information
- ☐ Personal financial statements and guarantor review

Loan documents

- ☐ Promissory note
- ☐ Loan agreement with the notice required by Tex. Bus. & Com. Code sec. 26.02 for loans over $50,000
- ☐ Deed of trust with power of sale, fixture and rents provisions
- ☐ Assignment of leases and rents; security agreement and UCC-1
- ☐ Guaranties with appropriate Texas waivers
- ☐ Environmental indemnity

Property

- ☐ Title commitment and T-2 lender's policy with endorsements; every exception reviewed
- ☐ Current survey certified to the bank and title company
- ☐ Flood determination for each building; flood insurance where required
- ☐ Phase I environmental site assessment or screen per bank policy
- ☐ Appraisal or evaluation
- ☐ Leases, estoppels and SNDAs
- ☐ Homestead review for any residence or rural acreage

Closing and after

- ☐ Hazard and liability insurance naming the bank
- ☐ Funding conditions satisfied; closing statement approved

- [ ] Recorded deed of trust, filed UCCs and final title policy received
- [ ] Construction loans: draw procedures, inspections, lien waivers and date-down endorsements

Closing an SBA or USDA loan? Kennedy Sutherland LLP has closed SBA 7(a), SBA 504, USDA B&I, REAP and FSA guaranteed loans for lenders, and also offers CDC-side 504 debenture closing work and conventional loan documentation. Fixed-fee quotes are available for SBA and USDA loan closings. Initial consultations for lenders are free. Call 210.259.3885 or visit hillcountry.kslawllp.com/contact/.

Official sources

- Tex. Bus. & Com. Code sec. 26.02, loan agreements must be in writing (statutes.capitol.texas.gov)
- Tex. Prop. Code ch. 51 (secs. 51.002-51.005), foreclosure and deficiency (statutes.capitol.texas.gov)
- Tex. Bus. & Com. Code ch. 9, Secured Transactions (statutes.capitol.texas.gov)
- Texas Secretary of State, UCC filings (sos.state.tx.us)
- Tex. Const. art. XVI, sec. 50, homestead protection (statutes.capitol.texas.gov)
- 40 CFR part 312, All Appropriate Inquiries (ecfr.gov)
- 12 CFR part 339, FDIC flood insurance rule (ecfr.gov)

Attorney advertising. Lawyer responsible for this content: William "Dub" Sutherland, Kennedy Sutherland LLP. Primary practice location: Fredericksburg, Texas (meetings by appointment). © 2026 Kennedy Sutherland LLP.