

Multi-Borrower Guaranty Examples

Guaranty of a “small” borrower portfolio	
Total Size of the Portfolio	50,000,000
Avg. % of each sub-transaction to be guaranteed by DFC	70%
Estimated Number of Sub-Transactions/ Borrowers	25

Guaranty of a “micro” borrower portfolio	
Total Size of the Portfolio	50,000,000
Avg. % of each sub-transaction to be guaranteed by DFC	70%
Estimated Number of Sub-Transactions/ Borrowers	20,000

Though the total portfolio size and portion guaranteed by DFC are the same, these two transactions have very different underwriting profiles. The one on the left has a relatively small number of underlying loans with an average loan size of \$2 million, possibly for the expansion of small businesses. The one on the right has a relatively large number of underlying loans with an average loan size of \$2,500, geared towards individual borrowers that may have a wide variety of needs (microbusinesses, small farms, education, working capital, home improvement).