



Power of Attorney (POA) Documentation Requirements

All documents must be complete, clear, and legible

ALL items listed are required to submit the POA for legal review:

1. Copy of the fully executed Specific POA being used for the subject property transaction.
(RON notarization is not acceptable)
2. Letter from title verifying the following:
 - Approve use of POA
 - Acknowledge the requirement that the POA must be recorded concurrently with the security instrument
 - Affirm that a copy of the recorded POA will be provided to Acra Lending
**Must contain confirmation of ALL the above*
3. LOE from borrower as to the relationship between parties and the reason for using a POA in this transaction. (If applicable, explain the use of a non-family member for the attorney-in-fact)
4. A copy of the driver's license/ID for the attorney-in-fact.

As a reminder to all parties, we are not attorneys therefore are not offering legal advice regarding the validity of the document itself, if all requirements are met, we are strictly approving the use of a Power of Attorney by the borrower in executing Acra Loan documents subject to title approval.

Entity Documentation Requirements

All documents must be complete, clear, and legible

Loan Application Initial – Entity

- ✓ *URLA should be LLC/business name only.*
- ✓ *URLA includes Taxpayer Identification Number (TIN) or Employer Identification Number (EIN) for business entity.*
- ✓ *URLA received for all other borrowers (guarantors)*

Limited Liability Company (LLC)

Required Documentation: - **No Series and No Foreign entities allowed**

1. Articles (or Certificate) of Organization (Formation) and all Amendments thereto

- ✓ *LLC operates in the same state it was formed*
- ✓ *All amendments noted have been provided*
- ✓ *Addition or removal of owners – must have an exception*

Certificate of Foreign Qualification was provided if entity is formed in a state other than where business is being conducted.

- ✓ *Documentation provided verifies the LLC qualifies to operate in the state where business is being conducted*

2. Operating Agreement and all Amendments thereto

- ✓ *Operating Agreement is signed by all members*
- ✓ *Operating Agreement includes authorization to borrow*
- ✓ *Operating Agreement designates signers*
- ✓ *Loan Application has been provided for all members with greater than 20% interest*
- ✓ *All amendments noted have been provided*
- ✓ *AKA / LOE provided if members' name listed do not match IDs*
- ✓ *No 'nesting' is identified in the documents provided*
- ✓ *Entity is NOT a multi member LLC*

3. Certificate of Good Standing or Entity Status (from state website)

- ✓ *Certificate has been issued within the last 90 days*
- ✓ *Entity has not been dissolved*
- ✓ *Entity is not listed in a suspended status*
- ✓ *Entity has not been terminated*

4. Unanimous Board Consent or fully executed Board Resolution authorizes the borrower to enter this specific transaction with Acra per Section 8.1(b)

5. EIN Assignment

Additional Notes:

- If there are multiple members, a Membership Interest Exhibit is required to show each member and their corresponding Membership Interest in the LLC.
- If another LLC or Corporation holds 20% or more Membership Interest in the LLC, we require full documentation for that entity. It is not uncommon for an LLC to be owned by other LLC's and/or Corporations.
- In lieu of an EIN Assignment Letter from the IRS, we will also accept a W9 Form or a Confirmation Notice that the EIN Number has been assigned.

Corporation (INC)

Required Documentation: **No foreign entities**

1. Articles (or Certificate) of Incorporation (Formation) and all Amendments thereto

- ✓ *LLC operates in the same state it was formed*
- ✓ *All amendments noted have been provided*
- ✓ *Addition or removal of owners – must have an exception*

Certificate of Foreign Qualification was provided if entity is formed in a state other than where business is being conducted.

- ✓ *Documentation provided verifies the LLC qualifies to operate in the state where business is being conducted*

2. Bylaws and all Amendments thereto

3. Certificate of Good Standing or Entity Status (from state website)

- ✓ *Certificate has been issued within the last 90 days*
- ✓ *Entity has not been dissolved*
- ✓ *Entity is not listed in a suspended status*
- ✓ *Entity has not been terminated*

4. Stock Certificate(s) (for C-Corp)

5. Unanimous Board Consent or fully executed Board Resolution authorizes the borrower to enter this specific transaction with Acra per Section 8.1(b)

6. EIN Assignment Letter

Additional Notes:

- Any Shareholder of the Corporation that holds 20% or more of the corporation's shares must be included on the loan as a personal guarantor and must complete an application
- If another LLC or Corporation owns 20% or more of the corporation's shares, we require full documentation for that entity.
 - This is uncommon and only a C Corporation can be owned by other entities.
- Bylaws do NOT have to be signed by the shareholder(s), while the Operating Agreement MUST be signed by all members.
- In lieu of an EIN Assignment Letter from the IRS, we will also accept a W9 Form or a Confirmation Notice that the EIN Number has been assigned.

General Partnership (GP)

Obtain a copy of the general partnership agreement.

- *Agreement identifies all partners*
- *Agreement does not restrict the ability to act*
- *AKA / LOE provided if members' name listed do not match IDs*

Limited Partnership (LP)

Obtain a copy of the LP agreement and proof of formation.

- *Agreement identifies all partners*
- *Agreement does not restrict the ability to act*
- *AKA / LOE provided if members' name listed do not match IDs*

Often the General Partner is also an entity – you will need the proper documents for it as well (see above).

Entity documentation is subject to legal review and additional conditions may apply.