



A.S. Pratt & Sons

Dear Valued Customer,

There is an estimated \$3.5 trillion in commercial loans that must be refinanced over the next few years, 20 to 50 percent of which are on properties that are completely underwater. Bankers have questions as to how to proceed and we have the answers. This edition of *Pratt's Commercial Lending Question & Answer Book* covers:

- *Mortgage regulatory watchdog.* A proposed Consumer Financial Protection Agency is in the works and new material in Part 7 covers this, mortgage fraud, subprime loan problems, and potentially risky banking practices.
- *Our global economy.* Part 1 has been revamped with much more information on making loans to foreign borrowers and the risks in taking foreign collateral.
- *The guarantor's defense.* Part 2 includes new information on indemnifying the lender, cross default of other creditors' loans, borrower's objections to lender's documents, laws or rules that address letters of credit, and much new material that covers defenses available to guarantors and general protection for lenders.
- *Maintaining and monitoring the loan.* Part 3 has been reorganized for easy understanding of the complexities involved in monitoring loans.

If you have any suggestions regarding this manual, please let us know! You can call our customer service representatives at 1-800-456-2340. For more information about this product or any others, visit our website at www.aspratt.com.

Sincerely,

Linda Ofshe

Editor