cial structure of a business, the quality of a location, and the character and appropriateness of the principal features of the lease itself. SBA specialists in each of the three fields of location, management, and finance rate each of these risks separately. A "chief underwriter" then rates the transaction in its totality and a composite rating of the risk is arrived at.

It is our feeling that this method of analysis of the prospect of business performance, when improved by experience, may prove to have a much wider use than in the guarantee of leases and may constitute a considerable contribution to business practices, especially in the extension of credit and in credit insurance.

The following is a record of our commitments and policies issued in this program through March 1968.

Mr. Chairman, I have there listed on page 27 of that statement that particular data if it may be included in the record.

The CHAIPMAN. The table may be included in the record but I think you should summarize the table.

(The table referred to follows:)

1. NUMBER OF LEASE GUARANTEE POLICIES/REINSURANCE CERTIFICATES ISSUED

	Number	Amount of guarantee	Premium	SBA share	Amount of escrow
Direct	1	$337,200.00	$9,441.60	$9,441.60	$5,620.00
Reinsurance	1	475,000.00	14,725.00	3,165.88	9,375.00
Total	2	812,200.00	24,166.60	12,607.48	14,995.00

2. NUMBER OF LEASE GUARANTEE COMMITMENTS

	Number	Amount of guarantee	Premium	SBA share	Amount of escrow
Direct	35	$7,521,749.40	$74,522.50	$74,522.50	$100,458.88
Reinsurance	9	3,264,367.39	101,255.75	21,820.90	65,566.05
Total	44	10,786,116.79	175,778.25	96,343.40	166,024.93

Note: An increasing number of projects are in process.

Mr. HENDRICKS, Very well, sir. We have lease guarantee policies on a direct basis. One of these has been issued. The amount of the guarantee is $337,000 in round figures, the premium is $9,000 in round figures. SBA's share of this is $9,441, and the amount of escrow is $5,600.

Reinsurance, we have one issued, and again the amount of guarantee is $475,000. The premium is $14,700. SBA's share $3,100, and the amount of escrow is $9,300.

I would like to mention along with this the number of lease guarantee commitments issued which of course is a much better figure. I can give the total, 44 for a total of $10,786,000, premiums $175,700, the SBA's share is $96,343 and the amount of escrow $166,000.

Mr. MOOT. The reason, Mr. Chairman, that commitments are important in this program is because there is usually construction involved, and we do not issue a policy. We only issue a commitment until the man is ready to occupy the premises, and that is the reason the activity is more properly reflected in the commitments than in the policies issued.

The CHAIRMAN. Do you have the figure for the total amount of the commitments and the lease guarantees?