**Section 640.160 Loan Security**

Financial assistance shall be secured by first, second, or third mortgage positions on real or personal property, by royalty payments, by personal notes or guarantees, or by any other security satisfactory to the Department to secure repayment, if required, by the financial assistance agreement. Security for Department loans shall include but is not limited to any or all of the following:

a) First or second lien security interest in favor of the Department on all personal property of the borrower.

b) First or second position real estate mortgage in favor of the Department on real estate of the borrower.

c) Personal guarantees and/or corporate guarantees in the amount of the loan.

d) Irrevocable letter of credit.

e) First or second security interest in negotiable securities of the borrower or business principle owners.