

U.S. Small Business Administration
Hawaii District Office 300 Ala Moana Blvd.,
Suite 2-235
Honolulu, HI 96850
(808) 541-2990 (808) 541-2976 - fax
www.sbahawaii.org

October 2004 Issue #1

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For More Information

- SBA offices are located in all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam. For the office nearest you, look under "U.S. Government" in your telephone directory, or call the SBA Answer Desk.
- SBA Answer Desk:
1-800 U ASK SBA
- Fax: 202-205-7064
- E-mail: answerdesk@sba.gov
- TDD: 704-344-6640
- Your rights to regulatory fairness:
1-800-REG-FAIR
- SBA Home Page: www.sba.gov

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Thanks for Another Great Year

Aloha Lending Partners,

Thanks to our lending and resource partners, the Hawaii District Office made a record 518 loans worth more than \$63.6 million for the fiscal year ended September 30. This surpasses the previous record of 331 approvals totaling \$49 million set by the Hawaii office in 2003.

New records in 7(a) lending were also achieved with 464 total approvals totaling \$43.2 million. The 504 program also had 45 approvals for \$20.4 million. The new capital provided by the lending community will enable small businesses in Hawaii and Guam to keep pace with their growing economies.

We congratulate our lending partners and their teams of loan officers for making special efforts to support our small businesses that are so vital to a strong U.S. and local economy. We look forward to working with you in the coming year and to another great year.

Aloha,

Andrew K. Poepoe, District Director



Another Record Breaking Year for SBA -2004

The SBA Hawaii District Office is celebrating an all time high in loan volume and dollars. Hawaii's small business community has received 518 loans worth over \$63 million ending September 30, 2004. This is the second year in a row the local SBA office celebrates record numbers. Last year the office made 331 loans totaling \$49 million.

The Hawaii District Office has been in the top ten for the past two years and this year the Hawaii office is ranked number #2 among 68 SBA offices.

Nationally, the SBA backed 74,825 7(a) loans totaling \$12.5 billion to small businesses, and 8,168 loans worth \$3.9 billion under the 504, or Certified Development Company, program. The number of loans made under each program, as well as the combined total, were both new records. The combined total also is more than double the 41,552 loans that were made by the agency's lending partners and Certified Development Companies with SBA backing in FY 2001.

In celebration of SBA's year, the Hawaii District Office will host their annual Lender's and Lending Officer's Award Breakfast at the Plaza Club. SBA's Administrator Hector Barreto has been invited to this year's event to celebrate the District Office's record breaking year. Please see the attached flyer for more details and join us in celebrating a record year.



Resource Rebate Certificate Update

As mentioned in previous editions of our Lenders Quarterly, in an effort to track the results of our resource partners' training—including financial assistance to small businesses-- we have developed a rebate certificate program. This effort also will monitor and promote our training and loan programs.

The Hawaii Small Business Development Center Network (SBDC) has recently begun the first NXLevel training this course will end December 8, 2004. At the completion of this course we hope to issue at least 10 certificates of completion. Lenders should expect to see these certificates arriving at their local branches by mid to late December or early January. This program is designed to connect training provided to small businesses and the lending community. For more information, please contact Mary Dale at 541-2948.



Opening the Doors for America's Heroes

The U.S. Small Business Administration (SBA), General Service Administration (GSA), Minority Business Development Agency (MBDD), Veterans Administration (VA) and the Department of Defense (DOD) are cosponsoring a three day Procurement Conference at the Hilton Hawaiian Village December 6-8. This conference is especially designed to reach veterans and service-disabled veteran owned businesses. During this event there will be matchmaking opportunities for small and large businesses looking to partner in the federal contracting arena. There will be government buyers who represent billions of dollars in buying power so we encourage all businesses in the contracting community to attend.

To register for the matchmaking portion of this event please contact Procurement Center Representative, Mary Spencer at 474-7317. For general registration or to reserve an exhibit table, please call 943-0999 or visit the conference website at www.gsa.gov/vetevent

SBA's Fees Increase

7(a) Program

The following chart explains the changes in the guaranty fee, the lender annual service fee, and the commercial loan fee as follows:

<u>Fees</u>	<u>Through September 30, 2004</u>	<u>Beginning October 1, 2004</u>
<u>Guaranty Fee</u> (under 13 CFR 120.220(a))		
<u>Total Loan Amount</u> \$150,000 or less	1 percent (of SBA guaranteed portion)	2 percent (of SBA guaranteed portion). Lender is again permitted to retain 25 percent of the fee.
\$150,001 to \$700,000	2.5 percent	3 percent
\$700,001 +	3.5 percent	3.5 percent (no change)
<u>SBA-Guaranteed Portion of Loan Amount</u> \$1,000,001 to \$1,500,000	0.25 percent of the amount over \$1,000,000	No such fee (the fee, and the \$1.5 million limit on loan guarantee amount, both expired September 30, 2004)
<u>Lender Annual Service Fee</u> (under 13 CFR 120.220(f))	0.36 percent of the outstanding balance of the SBA guaranteed portion	0.50 percent of the outstanding balance of the SBA guaranteed portion
<u>Commercial Loan Fee</u> Combination Financing (created by Public Law 108-217 as of April 5, 2004)	0.7 percent of the amount of the commercial loan in a senior lien position	No such fee (Combination Financing expired on September 30, 2004).

On the above chart, the fees under the "Beginning October 1, 2004" column are effective for loans **approved** on or after October 1, 2004. The fees under the "Through September 30, 2004" column will be applied to all loans approved by SBA (which must include the issuance of a SBA loan number and obligation of SBA funds) through and including September 30, 2004.

U.S. Small Business Administration

Contact Information for Lenders

PLP/SBAEXPRESS/504 Processing Center

U.S. Small Business Administration
 501 "I" Street, Suite #12-100
 U.S. Federal Courthouse
 Sacramento, California 95814-7307
 Center Director Richard A. Taylor
 (916) 930-2462
richard.taylor@sba.gov

Assistance with PLP/Express

Hien Nguyen (916) 930-2463

504 Questions:

Terri Bellmore (916) 930-2475
 Karin Boller (916) 930-2481
sacramento501@sba.gov

SBA/LowDoc Loan Processing Center

U.S. Small Business Administration
 501 "I" Street, Suite #12-200
 U.S. Federal Courthouse
 Sacramento, California 95814-7307
 Center Director Frank Pucci
 (916) 930-2450
robert.pucci@sba.gov

Assistance with LowDoc

Mark Frost (916) 930-2450
mark.frost@sba.gov

Kathleen Goetzger (916) 930-2428
 Pamela McGuffin (916) 930-2427

SBA Fresno Commercial Loan Servicing Center

2719 North Air Fresno Drive, Suite #107
 Fresno, California 93727-1547
 General Phone (559) 487-5650 or
 (800) 347-0922 (you will probably get voice mail)
 General Fax (559) 487-5803
 General email Fsc.servicing@sba.gov

Loan Servicing Contacts

Request for servicing actions are assigned to Loan Officers based on the 5th and 6th digits (reversed) of the SBA 10 digit loan number. This concept is best explained by example:

Loan #digits:	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th	9 th	10 th	6 th 5 th	<u>Loan Officer assigned</u>
	2	8	7	5	6	0	4	0	0	8	0 6	Castro, Elodia

Loan Digits	Loan Officer:	Email:	Personal Fax:
01-14	Castro, Elodia	elodia.castro@sba.gov	202/481-1858
15-28	Davidson, Steve	steven.davidson@sba.gov	202/481-5660
29-42	Fraijo, Olivia	olivia.fraijo@sba.gov	202/481-4758
43-56	Jung, Barbara	barbara.jung@sba.gov	202/481-0374
57-70	Oehlschlaeger, MaryJane	maryjane.oehschlaeger@sba.gov	202/481-4478
71-84	Sabbatini, Tim	timothy.sabbatini@sba.gov	202/481-5871
85-98	Zamora, Lupe	lupe.zamora@sba.gov	202/481-4241
99-00	assigned on a rotation basis		

**CONTACT FOR LIQUIDATION
NATIONAL GUARANTY PURCHASE CENTER**

U.S. SMALL BUSINESS ADMINISTRATION

HERNDON CORPORATE CENTER

HERNDON, VA 20170

PHONE: (703) 487-9283

FAX: (202) 481-4674

EMAIL: LOANRESOLUTION@SBA.GOV



SBA LENDER QUICK LINKS

SBA Loan Programs

LowDoc: <http://www.sba.gov/financing/lendinvest/lowdoc.html>

Express: <http://www.sba.gov/financing/lendinvest/sbaexpress.html>

PLP: <http://www.sba.gov/financing/lendinvest/plp.html>

Loan Processing Support

Forms: <http://www.sba.gov/library/forms.html>

SOP 50-10: <http://www.sba.gov/library/soprooom.html>

Franchise Registry: <http://www.franchiseregistry.com/Registry/>

Lender Training Manual: <http://www.sba.gov/fl/north/nflendersmanual.html>

SBA Size Standards: <http://www.sba.gov/library/cfrs/13cfr121.pdf>

SBA Notices: <http://www.sba.gov/banking/indexnotices.html>

UPDATED INTERNAL REVENUE SERVICE (IRS) CONTACT INFORMATION

Following are the updated points of contact for IRS tax transcripts to verify business financial information included in an SBA loan application. This applies to the 7(a) and 504 Loan Programs:

Internal Revenue Service (IRS)
5045 East Butler
Stop 28106, Fresno, CA 93888
Phone: (559) 253-4961
Fax: (559) 253-4992 (559) 253-4993
Marilyn Verdin - Manager

If you have any questions regarding any of the above, please feel free to contact Jerry Hirata at 541-2969 or Kim Hite at 541-3024.

SBA Hawaii District Office

Loan Activity, FY 2004

Twelve Months Ended 9/30/04

<u>Bank</u>	<u>No. of Loans</u>	<u>Loan Amount(000's)</u> <u>Gross</u>	<u>SBA</u>
Bank of Hawaii	116	12435.3	6467.7
First Hawaiian Bank	72	8610.9	5802.8
Central Pacific Bank	41	4881.0	3638.3
American Savings Bank	34	4559.5	4001.1
Citizens Security Bank	25	5223.5	3188.0
City Bank	10	1398.1	1141.4
Bank of Guam	8	1179.4	882.7
Hawaii National Bank	8	792.6	574.4
Business Loan Center	3	2492.0	1869.0
BankPacific	2	125.0	106.3
Comerica Bank	1	341.0	255.8
Subtotal	320	42038.3	27927.2
Innovative Bank	139	971.0	813.1
Capital One	5	225.0	112.5
Microloan	9	52.5	52.5
Total 7(a) Loans	473	43286.8	28905.3
HEDCO 504 Loans	40	17883.0	17883.0
Lokahi Pacific 504 Loans	5	2486.0	2486.0
Grand Total	518	63655.8	49274.3

NUMBER OF LOANS BY COUNTY & GUAM

	<u>Oahu</u>	<u>Hawaii</u>	<u>Maui</u>	<u>Kauai</u>	<u>Guam</u>	<u>Am. Samoa</u>	<u>Total</u>
Bank of Hawaii	56	15	19	4	20	2	116
First Hawaiian Bank	46	3	16	6	1		72
Central Pacific Bank	38	3					41
American Savings Bank	24		7	3			34
Citizens Security Bank					25		25
City Bank	8	1	1				10
Bank of Guam					8		8
Hawaii National Bank	8						8
Business Loan Center		1	2				3
BankPacific					2		2
Comerica Bank			1				1
Subtotal	180	23	46	13	56	2	320
Innovative Bank	109	8	5	17			139
Capital One	4		1				5
Microloan	9						9
Total 7(a) Loans	302	31	52	30	56	2	473
HEDCO 504 Loans	20	5	10	2	3		40
Lokahi Pacific 504 Loans			5				5
Grand Total	322	36	67	32	59	2	518

2004 Awardees

Lending Officer	Bank	Branch	# Loans	Pts. =	Bonus Points				Total =
				# Loans X					Pts. + Bonus Pts.
<i>Oahu</i>									
Dickinson, John	ASB	Main	20	40	9	1		2	52
Nakagawa, Ray	ASB	Main	14	28	7	3			38
Pai, Lawrence	CPB	Makiki	15	30	2	1			33
Masuno, Naomi	CPB	Kaimuki	13	26	4			2	32
Sorensen, In Ge	BOH	Waialae-Kaha	7	14	3	1			18
Matsumoto, Patrick	BOH	Ala Moana	7	14	1	2			17
Yamada, Chris	FHB	Kapahulu	7	4		1			15
Labason, Sonny	CPB	Kalihi	6	12	3				15
Koyanagi, Jason	BOH	Metro	5		3				13
Ventura, Jeff	FHB	Ward	5	10	1	2			13
Sung, Joe	BOH	Metro	4		3				11
Okazaki, Lloyd	FHB	Pearlridge	3	6					6
Okazaki, Lloyd	CPB	Mapunapuna	2	4			1		5
Au, Randy	BOH	Waipahu	4	8	2				10
Olanolan, Beulah	BOH	Pearlridge	4	8	1	1			10
Chun, Lou	HNB	Airport	3	6	3				9
<i>Kauai</i>									
Murata, Jeff	FHB	Lihue	6	12	3				15
Mayfield, Jim	BOH	Kukui Grove	4	8					8
<i>Maui</i>									
Duque, Dean	FHB	Kahului	6	12	4				16
Wilhelm, Nicole	BOH	Kihei	6	12	1				13
<i>East Hawaii</i>									
Uyetake, Roxann	BOH	Kaiko'o	3	6	2				8
Higashi, Howard	FHB	Hilo	2	4					4
<i>West Hawaii</i>									
Demengian, Christie	BOH	Kailua-Kona	3	6	2				8
Jones, Alison	BOH	Kailua-Kona	3	6	1				7



SBA Lending Officer of the Year

Awards Breakfast 2004

SPECIAL INVITED GUEST
SBA ADMINISTRATOR HECTOR BARRETO

- * Monday, December 6, 2004
- * 8:00am - 8:30am registration
- * 8:30 am – 10:00am Presentation of SBA 2004 Lender of the Year and Lending Officer of the Year Awards
- * Plaza Club, Pioneer Plaza, 900 Fort Street Mall, Twentieth Floor – Parking will not be validated in the building. Municipal parking available at Harbor Court 55 Merchant (Entrance on Bethel Street) or Chinatown Gateway Plaza on Bethel Street \$3.00/first 2hrs and \$1.50 for each additional half hour.)
- * Cost: \$21.00



Deadline to register and pay is Wednesday, December 1st

CASHIER'S CHECK ONLY

MAKE CASHIER'S CHECK PAYABLE TO: PLAZA CLUB

Please mail to: U.S. Small Business Administration, 300 Ala Moana Blvd., Suite #2-235, Honolulu, HI 96813
Attention: Kim Hite Phone: 541-3024 or Mary Dale Phone: 541-2983

Name(s):

_____	_____
_____	_____
_____	_____
_____	_____

Company:

Address:

Phone:

Email:

_____	_____
_____	_____
_____	_____
_____	_____