



THE LENDER'S ADVANTAGE

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*The Lender's
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*All SBA programs and
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The 2011 America East SBA Lender Conference is set for **August 15-17, 2011** in Niagara Falls and Buffalo, NY. The three day conference will focus on new SBA programs and initiatives to support exporting, tapping the underserved community and provide training on a variety of SBA policies and procedures.

Sessions include:

- Refinancing with SBA
- Turnaround Financing
- Expediting your SBA Approval
- Supporting Your Exporter: The Banker's Role
- Avoiding Common Errors & Omissions
- Debt Refinancing: New Opportunities Under SBA's 504 Program and MORE.

To register for the conference [CLICK HERE](#). For hotel reservations, [CLICK HERE](#) or call 888-421-1442. Conference Headquarters will be at the Hyatt Regency Buffalo, Two Fountain Plaza, in Buffalo, NY.

For more information, contact [Emma](#) at 304-347-5220 or via email at emma.wilson@sba.gov.

SBA Launches New Lending Website

Lenders now have access to more in-depth information and resources at www.sba.gov/for-lenders.

The online Lender Toolkit features:

- **Find a Loan Package**, which allows users to select a loan type and download all the associated forms.
- **Find a Service Center**, enables the lender to search for servicing center contact information based on the loan processing parameters of loan type and stage.
- **Lender FAQs**, provides answers to questions about the SBA's approach on the financing and underwriting of small business loans.

SBAExpress Loan Program

The SBAExpress loan program provides lenders with delegated credit approval authority to provide both term loans and revolving lines of credit. Turnaround time is as little as one day. Features include:

- 50 Percent guaranty
- Maximum Loan Amount of \$1 million through 9/27/11
- 7 year revolving line of credit
- Collateral not required for loans \$25K or less
- Lenders use their own collateral policy for loans over \$25K
- SBA does not reanalyze the credit
- Lender uses their own forms and procedures

For information on becoming an *Express* lender, contact [Emma](#) at (304) 347-5220 or emma.wilson@sba.gov.

Updates to SBA's Temporary 504 Debt Refi Program

[Policy Notice 5000-1204](#) issued April 8, 2011 provides guidance on certain standby requirements, modification or assignments of existing loan documents, the use of an interim Lender or escrow account, and the refinancing of same institution debt.

Standby Requirement: In cases of a deficiency remaining on the debt to be refinanced, the Agency would determine what effect, if any, the disposition of the deficiency had on the Borrower's creditworthiness. SBA may place additional restrictions on the remaining debt, such as requiring that the debt be placed on standby during the term of the 504 loan. Further, SBA will consider alternative recommendations by the CDC concerning the subordinate debt, and will consider on a case-by-case basis whether the Note covering the deficiency should be placed on standby; and whether the standby should be full or partial (e.g., only payments of interest permitted).

Modification or Assignment of Existing Loan Documents: When the loan being refinanced is Same Institution Debt the Third Party Lender may modify its existing loan documents instead of requiring the Borrower to execute and record new loan documents for the Third Party Loan. For other institution debt SBA may permit the Lender of the debt to be refinanced to assign its existing loan documents to an Interim Lender. The existing loan documents may be modified rather than requiring that new documents be executed for the Refinancing Project. The Interim Lender may then assign the documents to the Third Party Lender. While these modified loan documents must meet SBA's regulatory requirements for a Third Party Loan, the loan modifications or assignments will avoid the costs for title insurance and filing fees for the Interim or Third Party Loan, which are significant in some jurisdictions.

Use of Interim Lender/Escrow Account: If the debt being refinanced is Same Institution Debt, no Interim Lender may be used but an escrow account is required. If the debt being refinanced is other institution debt, then an Interim Lender is required and no escrow account may be used. The policy notice provides further requirements on this topic.

Requirements Regarding No Shift or Loss Certification: The Third Party Lender's certification to the CDC and SBA must state that the Third Party Lender is not in a position to sustain a loss on the Refinancing Project amount causing a shift to SBA of all or part of a potential loss from the existing debt. This certification must be made as instructed in SBA Form 1244D and included in the Third Party Lender's commitment letter (Exhibit 19 of SBA Form 1244). This change in the certification makes this certification similar to the certification that is made for refinancing in the 7(a) loan program.

SBA Policy Notices are located at the "For-Lenders" website www.sba.gov/for-lenders at page bottom.

Top FY 2010 Lenders Recognized

At the 2011 Small Business Lending Conference held at Seven Springs Mountain Resort, Judy McCauley, director of the SBA's WV District Office, recognized two West Virginia lenders as top SBA lenders for fiscal year 2010.

West Virginia's 2010 Lender of the Year is Main Street Bank, headquartered in Wheeling, WV. Main Street provided funding to 44 small businesses, totaling \$2.6 million through SBA's guaranteed loan program. The 44 loans represented nearly 20 percent of the total SBA guaranteed loan volume.

West Virginia's 2010 Large/National Lender of the Year was Huntington National Bank. The lending institution provided funding for 33 small businesses totaling nearly \$5 million through SBA's guaranteed loan program. Over the past four years, Huntington has provided funding through SBA loan guarantees to 168 West Virginia small businesses.

Congratulations to Main Street Bank and Huntington National Bank.

Lenders on the Move

Congratulations to **Poca Valley Bank** for renewing their SBAExpress and Patriot Express status. Congratulations also to **Rock Branch Community Bank** for renewing the SBAExpress status.

Advantages for becoming a SBAExpress lender: 1) Low documentation/streamlined processing; 2) 1 to 3 day guaranteed processing time; 3) 50% Guarantee; 4) Maximum Loan Guarantee - \$1M through 9/26/11 then \$350,000 beginning 9/27/11.

Contact [Emma](#) for information on becoming a SBAExpress lender.

Naomi Bassel Retiring

After 33 plus years of service, July 1st will mark Naomi Bassel's last day with SBA. Several of you have worked with Naomi in the past and know what a valuable asset the West Virginia District Office is losing. If you would like to send Naomi best wishes, she can be reached at (304) 623-5631 or via email at Naomi.bassel@sba.gov.

Lender Training

Lender training via SBA's ReadyTalk conferencing program will be taking a summer vacation. We occasionally receive notification from other District Offices of available training and we will be sure you receive notification when available. In the meantime, please be thinking of what SBA training you may need and shoot an email to [Emma](#) at emma.wilson@sba.gov. Thanks and see you in August!

FY 2011 Top Lender Awards

With less than four months to go before the end of the fiscal year, it looks as though Huntington Bank is out in front in their quest to regain the **Lender of the Year** award for FY 2011. The race for the **Community Bank Lender of the Year** is looking like it will come down to the wire. As of June 1, Main Street Bank is leading the way with eight (8) loan approvals closely followed by Community Trust Bank with West Union Bank still in the hunt. With a little over a quarter to go, anything can happen. Who knows, maybe a dark horse can come out of nowhere and snatch the **Community Bank** title.

A complete ranking of loan approvals by lender as of May 31, 2011 is found below. Let's see who can make the most significant jump by the start of the fourth quarter (July 1, 2011). Remember, the lender ranking is determined by the number of approved SBA loans.

FY 2011 Lender Ranking

As of May 31, 2011

	Lender Name	\$ Amount	Loans
1	Huntington Bank	\$7,482,900	46
2	BB&T	\$3,358,600	24
3	Main Street Bank	\$1,105,000	8
4	Community Trust Bank, Inc.	\$4,299,000	6
5	JP Morgan Chase	\$806,000	6
6	Citizens Bank of WV	\$1,198,000	5
7	United Bank	\$970,000	5
8	West Union Bank	\$691,700	4
9	Superior Financial Group, LLC	\$42,500	4
10	First Chatham Bank	\$5,692,000	3
11	MVB Bank, Inc.	\$1,355,500	3
12	WVCDC	\$1,736,000	2
13	First State Bank	\$803,000	2
14	OVIDBC CDC, Inc.	\$650,000	2
15	ACNB	\$3,537,000	1
16	Mountain Valley Bank	\$400,000	1
17	Union Bank, Inc.	\$400,000	1
18	Fidelity Bank	\$328,000	1
19	Business Carolina, Inc.	\$275,000	1
20	RBS Citizens, NA	\$150,000	1
21	Pendleton Community Bank	\$60,000	1
22	The Citizens Savings Bank	\$31,000	1
23	Manufacturers and Traders Trust	\$25,000	1