



# SBA Procedural Notice

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**TO:** All SBA Employees and Certified Development Companies

**CONTROL NO.:** 5000-842905

**SUBJECT:** Update of ALP Express Guide with new Delegations of Authority for ALP Express Loan Modifications

**EFFECTIVE:** January 10, 2023

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On August 17, 2022, SBA published [Policy Notice 5000-816739](#) announcing the implementation of the additional authority that section 328(b) of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act temporarily provided to Certified Development Companies (CDCs) participating in the Accredited Lenders Program (ALP) for eligible 504 loans.

The purpose of this Notice is to advise all SBA employees and CDCs that SBA has revised the [Temporary 504 Express Loan Authority for Certified Development Companies Participating in the Accredited Lenders Program Guide \(“ALP Express Guide”\)](#) to expand servicing authority for ALP CDCs in E-Tran with respect to certain loan modifications (also known as 327 Actions). The revised ALP Express Guide provides new details on the conditions under which an ALP CDC may use its ALP Express delegated authority for these servicing actions.

The ALP Express Guide is revised by renumbering current Paragraph IV.B **Obtaining SBA Loan Number and Eligibility Determination from SLPC** as Paragraph IV.C and inserting a new Paragraph IV.B that reads as follows:

## B. Delegated Servicing Action Authority for ALP Express Loans

ALP CDCs may use their ALP Express delegated authority to perform the servicing actions listed below. The ALP CDC is responsible for making these loan modifications (also known as 327 Actions) in E-Tran for ALP Express Loans.

- (1) An ALP CDC may correct an error in the street address of a property pledged as collateral for the ALP Express Loan. An ALP CDC may not change the location of the Project Property using ALP Express delegated authority.
- (2) An ALP CDC may change a Third Party Lender or Interim Lender for an ALP Express Loan provided that the lender is a financial institution that is regulated by the Federal Financial Institution Regulators (i.e., the Federal Deposit Insurance Corporation, the Federal Reserve Board, the Office of the Comptroller of the Currency, the National Credit Union Administration, and the Farm Credit Administration) or by a state financial institution regulator with supervisory and examination authority satisfactory to SBA.
- (3) An ALP CDC may add inadvertently omitted co-Borrowers (without changing the ownership) and guarantors for ALP Express Loans.
- (4) An ALP CDC may reduce the amount of standby debt for ALP Express Loans before 504 loan closing.
- (5) An ALP CDC may make de minimis increases to Use of Proceeds amounts on an ALP Express Loan provided that the Total Project Costs do not increase. An ALP CDCs may reduce the project size under ALP Express delegated authority with no limitations. However, if these changes necessitate modification or deletion of collateral that was originally approved, the entire action must be submitted to SLPC for prior review and approval. Please see Appendix 2 for examples of when an ALP CDC must use ALP Express delegated authority and when the ALP CDC must request review and approval from SLPC to change Use of Proceeds amounts.

## Questions

Questions concerning this Notice may be directed to the Lender Relations Specialist in the [local SBA Field Office](#).

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