

THE LENDER'S ADVANTAGE

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SBA BALTIMORE DISTRICT OFFICE

SBA Administrator Visits SBA Baltimore District Office

SBA Administrator Karen Mills recently visited the Small Business Administration Baltimore District Office. After visiting with the BDO staff and leaders from both SCORE and the SBDC, the Administrator met with a number of women at Women Entrepreneurs of Baltimore (WEB) in downtown Baltimore.

She later stated, "Like many of you, I grew up in an era when women were working hard to break barriers and start businesses in industries that they never did before. What we do for women business owners is personally important to me, because I've owned a business myself, and I've helped other women start and grow theirs."

"That's why it was such a treat to meet with some women small business owners at our Women's Business Center in Baltimore last Thursday. It was great to hear their stories and to share recent news, such as the new women's contracting program that we just rolled out."

"The President recognized that our country has made great strides when it comes to empow-



SBA Administrator Karen Mills (at head of table) speaks to SBA Baltimore district staff, as SBA Regional Administrator John Shoraka (far left) and Baltimore District Director Stephen Umberger (left center) look on.

ering women, but we still have work to do. I encourage you to read the first comprehensive report on Women in America since 1963."

504 Debt Refinancing Now Open to Mortgages Regardless of Maturity

To be eligible for the temporary 504 refinancing program, a business must have been in operation for at least two years, the debt to be refinanced must be for owner-occupied real estate and have been incurred no less than

two years prior to the date of application and the proceeds used for 504-eligible business expenses, and payments on that debt must be current for the last 12 months.

Borrowers are able to refinance

up to 90 percent of the current appraised property value or 100 percent of the outstanding mortgage, whichever is lower, plus eligible refinancing costs. Loan proceeds may not be used for other business expenses. Existing 504 projects and government-guaranteed loans are not eligible to be refinanced.

The program will be in effect through Sept. 27, 2012.

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District Director's Desk:

Have you looked at the new Lender Toolkit on our website? Small business lenders now have access to more in-depth information and resources on SBA loan programs through www.sba.gov/for-lenders .

Elements of the streamlined Lender site include useful tools like the ability to download and submit loan packages, updates on interest rates and important lending news.

One feature is: Find a Loan Package, which allows users to select a loan type and download all the associated forms. Instruction on how to complete the loan package and standard boilerplates will help lenders prepare more accurate loan applications, increasing the probability of guarantees to worthy small businesses.



*Stephen D. Umberger
District Director, Baltimore*

We have just finished the sixth month of our fiscal year and have a number of different lenders in our top 10 list. See page 5 for the current rankings.

SBA Lending News:**Updated Loan Application Forms for SBA Express, Export Express and Pilot Loan Programs:**

Form 1919: SBA Express, Export Express and Pilot Loan Programs (Community Express, and Patriot Express) Borrower Information Form. This form collects identifying information regarding the applicant, loan request, indebtedness, information about the principals, information about current or previous government financing, and certain other disclosures.

Form 1920SX (Part A): SBA Express, Export Express and Pilot Loan Programs (Community Express, and Patriot Express) Guaranty Request. This form is a cover page to be completed by a delegated 7(a) lender when faxing Form 1920SX (Part B) to the Sacramento Loan Processing Center. (Most applications are submitted to SBA using electronic submission where a cover page is not required.)

Form 1920SX (Part B): Supplemental Information for SBA Express, Export Express, Pilot Loan Programs and PLP Processing. This form is completed by the 7(a) lender. This form includes identifying information regarding the lender, loan terms, use of proceeds, and other information such as the number of jobs created or retained.

Form 1920SX (Part C): Eligibility Information Required for SBA Express, Export Express and Pilot Loan Programs (Community Express and Patriot Express). This form is completed by the 7(a) lender. It consolidates eligibility criteria regarding the loan applicants, including use of proceeds and general rules applicable to the SBA Express and the Pilot Loan Programs.

Form 2238: Supplemental Information for SBA Express/Patriot Express Guaranty Request (Eligibility Authorized). This form is completed by the 7(a) lender that has been designated as "eligibility authorized." This form includes identifying information regarding the lender, loan terms, use of proceeds, and other information such as the number of jobs created or retained and also includes a certification by the lender that the applicant and the loan are eligible. Form 2238 takes the place of Form 1920SX (Part B) and Form 1920SX (Part C) for "eligibility authorized" lenders.

FYI News:

Small Business Assistance: SCORE Counseling with Harold Rappoport, Howard County.

Harold has had a diversified career, starting as an analyst for the government and government contractors, moving on to business development and then to general manager of an Internet start-up. He has supported the Navy, the Coast Guard, the Military Airlift Command, and the US Post Office in such diverse areas as naval simulations, airship operations, life cycle costing, and airlift scheduling. He was an early recipient of an SBIR for computerized neuropsychological testing.



Harold has the innate ability to be able to think outside the box. While working for a small business, he transitioned into the role of business development director for an enterprise computerized vehicle routing and scheduling system for the utility, municipal government, solid waste collection and delivery industries. In two years he was generating \$2 million a year. In 1994, he created the concept of taking the routing and scheduling software and turning it into an internet-based service. He took this concept and marketed it to software companies who had the resources to develop it into a product. He ultimately ended up with Descartes System where "Easy Router" was developed as a Software as a Service (SaaS) on the Internet. With the collapse of the Internet bubble in 2001, he started to pursue other concepts, including the use of PDAs for in-store retail sales. Since then he has pursued a number of innovative concepts, creating two companies, to seek funding for a social network for senior citizens, a VoIP, and a computer defibrillator, applying for TEDCO and MIPS funding.



Harold has been a SCORE counselor for over 7 years and has counseled hundreds of clients. He particularly likes to address marketing issues for unique products or services. He is also a founding director of Neighbor Ride, a non-profit that provides rides for seniors in Howard County. He has taught at the Business School at the University of Maryland, and a technology transfer course at Howard Community College. He has a Doctorate in Operations Research from George Washington University. He has written dozens of papers and is a frequent presenter at professional and trade conferences.

Harold offers his consulting services for free and can be reached as follows: Howard County Center for Business and Technology Development, 9250 Bendix Road, N., Columbia, MD 21045.

Phone 410-313-6550; The website is www.scorebaltimore.org.

If you have a business owner elsewhere in the state who needs assistance with marketing, management, loan preparation or general business counseling have them contact either SCORE at 800-634-0245 and <http://www.score.org/index.html> or the SBDC at 877-787-7232 and <http://www.mdsbdc.umd.edu/> for "FREE" one on one business consulting assistance.

Banking News:

New Lenders Section of www.sba.gov features a revamped **"For Lenders"** section that offers improved tools and functionality for our lending partners. To ease the transition to the new section of the site, the archived banking site will remain available until May 1st.

The Baltimore District Office is in the spotlight with the newly designed **SBA Quick Reference Loan Chart**. It has the majority of the SBA loan programs, including all of the recent changes, consolidated in an easy to understand two page handout. This excellent resource tool was developed here in the Baltimore District Office and is currently the national standard. It can be obtained by going to the direct link at:

<http://www.sba.gov/sites/default/files/files/Loan%20Chart%20HQ%202011.pdf>

**Upcoming Events:****FREE Lender Training across Maryland:**

SBA, SBDC and Business Finance Group have signed a Co-Sponsorship agreement to do a number of different trainings/updates on the new and existing SBA 504 and 7a loan programs. The session dates and start times are as follows:

Tuesday, April 26th: 10:30 - 12:00 noon Chesapeake College, Room EDC-27, 100 College Circle, Wye Mills, MD

To RSVP, contact Brenda Miller at bmiller@businessfinancegroup.org or 703-352-0504. Please indicate both the date and location of the event you plan to attend. Please arrive up to a half hour prior to the start of the class for networking opportunities.

27th Annual Maryland Small Business Week Awards Breakfast

Friday, May 20, 2011, 7:00 a.m.—9:30 a.m.

Martin's West, Woodlawn, Md.

Don't miss the premier small business awards event of the year. Join us as we honor the Maryland winners of the National Small Business Week Awards Program. Meet this year's winners, hear their inspiring stories and network with area resource providers, state and local government officials, lenders and small business owners. The Baltimore District's Top Ten Lenders of Fiscal Year 2010 will also be honored at the event. Visit the event website at <http://www.mdsbaawards.org> or contact Rachel Howard at 410-962-6195, ext. 330 or via email at rachel.howard@sba.gov.

Lender Rankings: October 1, 2010—March 31, 2011

<u>Lender Name 7a</u>	<u># Loans</u>	<u>Amount</u>
MANUFACTURERS & TRADERS TR CO	124	10,740,200
WELLS FARGO BANK NATL ASSOC	8	8,243,200
PNC BANK, NATIONAL ASSOCIATION	11	7,183,700
COMMERCEFIRST BANK	29	6,900,000
SUSQUEHANNA BANK	9	5,230,600
ACCESS NATIONAL BANK	1	5,000,000
SUNTRUST BANK	8	4,392,000
HOWARD BANK	15	4,230,000
CAPITALSOURCE BANK	2	4,033,000
BRANCH BK. & TR CO	20	4,021,200
CONESTOGA BANK	2	3,340,000
FIRST CHATHAM BANK	2	2,682,000
LIVE OAK BANKING COMPANY	4	2,575,000
UNITED CENTRAL BANK	2	1,786,000
MID-ATLANTIC FCU	3	1,399,000
HAMILTON FEDERAL BANK	2	1,300,000
EASTON BANK AND TRUST COMPANY	2	1,175,000
PACIFIC CITY BANK	3	1,051,000
CITIBANK, N.A.	1	912,000
HEBRON SAVINGS BANK	4	895,000
THE HARBOR BANK OF MARYLAND	1	850,000
BANKANNAPOLIS	1	800,000
COMPASS BANK	1	702,000
VIRGINIA COMMERCE BANK	1	630,000
THE BANK OF DELMARVA	1	560,000
TD BANK, NATIONAL ASSOCIATION	3	516,000
REGAL BANK & TRUST	1	500,000
CELTIC BANK CORPORATION	1	458,000
NEWTEK SMALL BUS. FINANCE INC.	1	424,500
MARYLAND BK & TR COMPANY NATL	1	385,000
WOODSBORO BANK	1	375,000
BANK - AMERICA NATL ASSOC	2	350,000
THE COLUMBIA BANK	3	342,000
REPUBLIC BANK & TRUST COMPANY	1	224,800
STEARNS BK NATL ASSOC	1	200,000
WASHINGTONFIRST BANK	1	200,000
SANDY SPRING BANK	1	157,300
BORREGO SPRINGS BANK, N.A.	4	140,000
STANDARD BANK, PASB	2	125,000
SUPERIOR FINANCIAL GROUP, LLC	9	117,500

continued

Helping small businesses start, grow and succeed

<u>Lender Name 7a</u>	<u># Loans</u>	<u>Amount</u>
SOVEREIGN BANK	2	70,000
RBS CITIZENS NATL ASSOC	1	50,000
Total 7(a)	292	\$85,266,000

<u>Lender Name 504</u>	<u># Loans</u>	<u>Amount</u>
BUSINESS FINANCE GROUP, INC.	22	13,073,000
CHESAPEAKE BUS. FINAN CORP	13	9,735,000
MID-ATLANTIC BUS. FINAN CO	1	158,000
Total 504	36	\$22,966,000

Grand Total	328	\$108,232,000
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All SBA programs and services are extended to the public on a nondiscriminatory basis.

City Crescent Building
10 S. Howard Street, 6th Floor

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Follow the SBA on:



SBA Administrator Karen Mills and Region III Administrator John Shoraka visit with Baltimore District Director Steve Umberger and his staff. Maryland SBDC and SCORE leaders also attended.