



Bank Notes

A Newsletter for Michigan Lenders

May 12, 2011

Issue 175

2011 Small Business Lending Conference Winners

Over 200 people attended our 13th annual 2011 Small Business Lending Conference on March 31. This conference received high marks, and we appreciate the contributions made by all of the guest speakers who added so much to our program.

The Michigan District Office presented its annual awards to SBA lenders for their outstanding performance in the previous fiscal 2010. Here are this year's winners:

"Lender of the Year" – Huntington National Bank

Our traditional award for the best overall performance considering total volume, new markets, comparison with historical performance, etc. Huntington National Bank approved 262 SBA loans worth more than \$52.7 million in fiscal 2010 and did a very great job of marketing our loan programs in a difficult year.

Huntington National Bank – "SBAExpress Lender of the Year"

Award for the lender which had the most SBAExpress loans. Huntington National Bank approved 207 SBAExpress loans. This is the second year in a row that Huntington has won this award.

Citizens Bank & Huntington National Bank (tie) –

"PLP Lender of the Year" The most loans approved by a preferred lender, which enjoy full delegation of lending authority. Both banks approved 52 PLP loans. This is the third year in a row that Citizens Bank has won this award.

Chase – "504 Lender of the Year" In recognition of the best overall support of SBA's 504 loan program. Chase supported 20 504 deals for over \$14.4 million with five Michigan certified development companies last year. This is the second year in a row that Chase Bank has won this award

Chase – "Business Development Lender of the Year"

Award for the lender which did at least 10 SBA deals in fiscal 2010 and had the largest percentage increase of approvals. Chase's loans jumped from 50 in fiscal 2009 to 150 in fiscal 2010, a whopping 200%!

Lake Michigan Financial Corporation – "Community Lender of the Year"

Best overall performance among Michigan-based, non-PLP lenders. Criteria include total volume, new market activity, and comparison with historical performance. Lake Michigan Financial Corporation approved 45 SBA loans for more than \$13 million.

Chase – "New Markets Lender of the Year"

Best overall performance in lending to new markets (minorities, women, and veterans), including the percentage of Chase's SBA loans that went to new markets and its support for the full diversity of the population, as well as its continuing sponsorship of the Black Business Conference. This is the third year in a row that Chase has won this award.

See page 3 for photos of our winners!

SBA's Lender Relations Staff

Detroit: P 313-226-6075; F 313-226-4769

- Romy Ancog, ext. 259, romualdo.ancog@sba.gov
- Ken Kolasa, ext. 228, kenneth.kolasa@sba.gov
- Rachel St. James, ext. 278, rachel.stjames@sba.gov

Grand Rapids: P 616-456-5512; F 616-456-5514

- Brian Picarazzi, brian.picarazzi@sba.gov

Changes to Michigan's Baseline Environmental Assessment Procedures

We have received many questions from lenders concerning how recent changes in Michigan law relating to Baseline Environmental Assessment procedures have affected SBA environmental policy. First and foremost, SBA's environmental policies and procedures as stated in SOP 50 10 5 (c) have not changed. The general rule is that loans may not be approved or disbursed if there is known contamination or ongoing remediation at property used as collateral for the loan without the consent of SBA. SBA will rely up on one or more mitigating factors as specified in the SOP when deciding whether to disburse before completion of remediation or monitoring.

Previously, the mitigating factor "No Further Action" could be met by the borrower submitting a BEA to the State of Michigan and obtaining a Determination Letter from the State affirming the BEA. Under the new legislation, a Determination Letter is no longer available. In the case where a borrower has properly filed a BEA but is unable to obtain a Determination Letter because of the change in law, SBA will accept a letter from the Michigan Department of Environmental Quality approving the Due Care Plan.

Lenders should be aware that all requirements of the SOP must be met and that there are other factors to consider including, but not limited to, the effect of the contamination on the value and marketability of the property and the cost of implementing the due care responsibilities. We will be covering these issues in depth at the First Thursday ReadyTalk session on June 2. For more information, contact Richard Pasiak, District Counsel, at 313-226-6075, ext. 269 or richard.pasiak@sba.gov.

June 2nd First Thursday ReadyTalk Session

The next monthly First Thursday ReadyTalk session for lenders is scheduled for June 2 at 10:00 a.m.

This month, Richard Pasiak, SBA District Counsel, will be joining us to discuss environmental issues and procedures. We'll also cover loan activity updates and general questions and answers.

ReadyTalk is a Webinar program using the Internet and a conference call system. To access the system:

From your computer:

1. Logon to www.readytalk.com
2. Login as a participant using the access code 3051501
3. Enter your name, email address, and company name as requested

From your telephone:

1. Dial 866.740.1260
2. Enter the Access Code 3051501 and press #
3. Say hello!

If this is your first ReadyTalk session, we recommend that you test your browser compatibility and network connection prior to the conference by logging onto the ReadyTalk Web site and click on the "Test your Computer" button under the login.

Please join us on June 2.

Help us Demonstrate Your Success!

The Michigan District Office uses success stories to publicize SBA loans by highlighting small businesses to tell the story. Currently, we are seeking businesses that have received loans under the provisions of the Jobs Act. We are also looking for long term success stories that involve firms that have been in business for three or more years and have grown with the help of an SBA guaranteed loan.

Success stories are an excellent way to promote the small business that is profiled and to show how the lender was able to respond to their customer's needs and help it succeed. For more information, please contact Annette Hall at Annette.hall@sba.gov.

Bank Notes Distribution

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Annual Award Winners

