

# THE LENDER'S ADVANTAGE

December 2011

Volume 3, Issue 12

## SBA BALTIMORE DISTRICT OFFICE

### End-of-Year Deadline Approaching for Delegated Lenders and PCLP-CDCs

The Credit Alert Verification Reporting System (CAIVRS) is used to determine if a loan applicant has a Federal debt that is currently in default, a foreclosure, or has had a claim paid by a reporting agency within the last three years.

Although CAIVRS may not identify all federal "delinquent debt" or "prior losses," it is a good resource to help check. Other sources to identify federal "delinquent debt" and/or "prior losses" include credit bureau reports, and the borrower's loan application. CAIVRS can be used with **all** SBA loan products.

Who Is Required To Use CAIVRS? SOP 50 10 5(D), Subpart B, Chapter 2, which became

effective October 1, 2011, added the following procedure for lenders to follow: "Delegated 7(a) lenders are responsible for checking the Credit Alert Verification Reporting System (CAIVRS) to determine if any of the individuals or businesses identified in paragraph (4) have either a Delinquent Federal Debt or a Prior Loss, which would result in the Small Business Applicant being ineligible for SBA financial assistance." Delegated lenders and PCLP-CDCs have until **December 31, 2011**, to meet the SOP requirements

CAIVRS may be accessed Monday through Saturday, 8:00 a.m. to 10:00 p.m. EST. CAIVRS is not available on Federal holi-



days. Because it requires mainframe access, CAIVRS is available only during normal business hours.

Please see [SBA Procedural Notice 5000-1227](#) for all the details on CAIVRS and how to sign up for access.

### Many "No or Low Cost" Resources Available for Women Entrepreneurs

If you know a small woman owned business or a woman looking to start a business, consider referring them to the Women's Business Center (WBC), SCORE, or a Small Business Development Center (SBDC). WBCs represent a na-

tional network of nearly 100 educational centers that help women start and grow small businesses. WBCs aim to "level the playing field" for women entrepreneurs, who still face unique obstacles in the world of business. There are three primary business con-

sulting organizations located in Maryland.

The Maryland WBC's website is [www.webinc.org](http://www.webinc.org)

SCORE (Counselors to America's Small Business) website is [www.score.org](http://www.score.org)

SBDC (Small Business Development Center) main website for Maryland is [www.mdsbdc.umd.edu](http://www.mdsbdc.umd.edu)

#### Inside This Issue:

From the District Director's Desk	2
FYI	2
Banking News	3
Upcoming Events	3
2012 Credit Connections Training Schedule	4
Lender Rankings	5
How to Reach Us	6



**District Director's Desk:****Happy Holidays!!!**

From our office to yours, we wish you all a Great Holiday Season and a Happy and Prosperous New Year!



*Stephen D. Umberger  
District Director, Baltimore*

M&T Bank is still in the lead over Mid-Atlantic FCU at the end of the 2nd month of the new fiscal year.

Business Finance Group is still leading the 504 CDC lending while Frederick County Bank is in the lead as the 3rd Party Lender for the 504 program.

Turn to page 5 for details on our lending numbers.

**FYI:**

**Small Business Assistance:** Women's Business Centers or Women Entrepreneurs of Baltimore, Inc. (WEB)

Management and technical assistance is provided by WEB. Entrepreneurs -- especially women who are economically or socially disadvantaged -- are offered comprehensive training and counseling on a vast array of topics in to help them start and grow their own businesses.

WEB offers three programs designed to take aspiring entrepreneurs from initial concept to a detailed plan to business launch and even expansion:

1. **Small Biz 101** provides a 90 minute overview of the rewards and demands of starting and operating a small business, including the risks, time commitment, etc.
2. **RIGHT START** a six-week program that guides students through a structured evaluation process to decide whether business ownership fits their professional needs and personal expectations
3. The twelve-week **READY TO WRITE** program takes aspiring entrepreneurs through a step-by-step process for creating and sustaining successful businesses.

Maryland has one location:  
Women Entrepreneurs of Baltimore, Inc. (WEB)  
1118 Light Street, Suite 101  
Baltimore, MD 21230  
Phone: 410-727-4921  
E-mail: [info@webinc.org](mailto:info@webinc.org)  
Website: [www.webinc.org](http://www.webinc.org)

If you know a business owner who needs counseling, or assistance in another part of the state, 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:**

The **SBA Quick Reference Loan Chart** has been updated to include all of the recent changes. It is a great tool which gives you the ability to understand the basics on most of the SBA loan programs. It also allows you to quickly see if one of the loan programs may be a good fit for your business client. The SBA Quick Reference Loan Chart can be accessed at <http://www.sba.gov/content/loan-program-quick-reference-guide>.

### **Upcoming Events:**

It is not too late to attend. Sign up now.

**Interagency Small Business Roundtable for Financial Institutions - FREE Event:** December 13, 2011 in Delaware at The Cheers Community Center 20520 Sand Hill Rd., Georgetown, DE 19947. If you are a lender or resource partner located in Maryland or Delaware please attend this free event. Hear from the FDIC, Office of the Comptroller, SBA, USDA, Banc-Serv, and others. Register at <http://www.udel.edu/forms/sbtcd/roundtable/> or contact [edward.knox@sba.gov](mailto:edward.knox@sba.gov) for more information.

**Credit Connections Commercial Lender Training Sessions - 2012:** January - May 2012, Meet with representatives from the US Small Business Administration (SBA), USDA, Maryland DHCD and DBED. Learn about the various loan programs and how you can structure a deal with these programs. All sessions are 8:30am til 11:00 am. Continental breakfast from 8:30 til 9:00am and session from 9:00am til 11:00am. **Save the Date.** Dates and locations on page 4. Registration information will be released soon.

**April 13, 2012, Small Business Week Awards Luncheon at Martin's West, Woodlawn, Md.**

## **Let's Do Lunch!**

We wanted you to be the first to know that the **Annual Maryland Small Business Week Awards Program** is now a luncheon. Mark your calendar for lunch on **Friday, April 13, 2012** at Martin's West in Woodlawn, MD. Join us as we celebrate the achievements of Maryland's small business owners and the valuable contributions of their supporters, the champions of small business.

Honorees will include the Maryland winners of the SBA's National Small Business Week Awards Program and the Baltimore District Office's Top Ten Lenders from Fiscal Year 2011. The event will include award presentations, a trade show and plenty of networking opportunities with state, federal and local representatives, lenders and fellow small business owners.

Don't miss the premier small business awards event of the year. Stay tuned for future announcements or contact Rachel Howard at (410) 962-6195, Ext. 330 or by email at [rachel.howard@sba.gov](mailto:rachel.howard@sba.gov).

**Credit Connections Commercial Lender Training Sessions - 2012**

January 10, 2012 8:30 am til 11:00 am	<b>WorWic Community College</b> 32000 Campus Drive Salisbury, Maryland 21804
January 11, 2012 8:30 am til 11:00 am	<b>Chesapeake College</b> Wye Mills, Maryland 21679
January 19, 2012 8:30 am til 11:00 am	<b>Federal Reserve Bank of Richmond</b> 502 S. Sharp Street Baltimore, Maryland 21201
March 28, 2012 8:30 am til 11:00 am	<b>Allegany College of Maryland</b> 12401 Willowbrook Road SE Cumberland, Maryland 21502
March 29, 2012 8:30 am til 11:00 am	<b>Hagerstown Community College</b> 11400 Robinwood Drive Hagerstown, Maryland 21742
April 11, 2012 8:30 am til 11:00 am	<b>Carroll Community College</b> 1601 Washington Road Westminster, Maryland 21157
April 12, 2012 8:30 am til 11:00 am	<b>MT St. Mary's</b> 5350 Spectrum Drive – Frederick Frederick, Maryland 21703
April 24, 2012 8:30 am til 11:00 am	<b>Anne Arundel Community College</b> 101 College Parkway Arnold, Maryland 21012
April 26, 2012 8:30 am til 11:00 am	<b>College of Southern Maryland</b> Corporate Center 8730 Mitchell Road La Plata, Maryland 20646
May 8, 2012 8:30 am til 11:00 am	<b>Harford Community College</b> 401 Thomas Run Road - Bel Air, Maryland 21015

**Baltimore District Office Lender Rankings: October 1, 2011—November 30, 2011**

<u>Lender Name 7a</u>	<u># Loans</u>	<u>Amount</u>
MANUFACTURERS & TRADERS TR CO	30	3,578,800
MID-ATLANTIC FCU	1	1,840,000
TD BANK, NATIONAL ASSOCIATION	1	1,601,000
HAMILTON FEDERAL BANK	2	1,230,000
HOWARD BANK	5	1,150,000
BANK OF AMERICA NATL ASSOC	2	1,045,000
THE BANCORP BANK	1	807,000
BRANCH BK. & TR CO	6	471,800
WILSHIRE STATE BANK	1	384,000
COMMERCEFIRST BANK	3	300,000
SPIRIT OF TEXAS BANK, SSB	1	207,600
FIRST FINANCIAL BANK	1	161,000
HANA SMALL BUS. LENDING INC.	1	50,000
WELLS FARGO BANK NATL ASSOC	1	25,000
SOVEREIGN BANK	1	16,000
SUPERIOR FINANCIAL GROUP, LLC	1	7,500
<b>Total 7(a)</b>	<b>58</b>	<b>\$12,874,700</b>

<u>Lender Name 504</u>	<u># Loans</u>	<u>Amount</u>
BUSINESS FINANCE GROUP, INC.	6	3,220,000
CHESAPEAKE BUS. FINAN CORP	2	2,118,000
<b>Total 504</b>	<b>8</b>	<b>\$5,338,000</b>

**Grand Total 7a and 504 66 \$18,212,700**

<u>3rd Party Lender 504 Name</u>	<u># Loans</u>	<u>Amount</u>
Frederick County Bank	1	2,150,000
CommerceFirst Bank	1	1,200,000
Carrollton Bancorp	1	1,025,000
Branch Banking and Trust Company	1	687,500
Severn Savings Bank, FSB	1	542,250
Bank of America, National Association	1	527,500
Carrollton Bank	1	400,000
PNC Bank, National Association	1	270,724
<b>Total 3rd Party 504</b>	<b>8</b>	<b>\$6,802,974</b>

All SBA programs and services are extended to the public on a nondiscriminatory basis.

**Edward Knox**

Lead Lender Relations Specialist

Phone: 410-962-6195 ext. 309

E-mail: [edward.knox@sba.gov](mailto:edward.knox@sba.gov)

**Mark Williams**

Lender Relations Specialist

Phone: 410-962-6195 ext. 303

E-mail: [mark.williams@sba.gov](mailto:mark.williams@sba.gov)

City Crescent Building  
10 S. Howard Street, 6th Floor  
Baltimore, MD 21201

Follow the SBA on:



You Tube



**Helping small businesses start, grow and succeed**

### SBA-Proposed Size Standard Increases Reflect Marketplace Changes

Proposed rules recently published for comment in *The Federal Register* by the SBA would adjust the size definition of small businesses in 29 industries in one sub-industry in two broad categories of businesses, ranging from real estate and property management to colleges, junior colleges and universities.

The proposed adjustments to size standards in 20 industries and one sub-industry in Sector 53 of the North American Industry Classification System (NAICS), "Real Estate and Rental and Leasing," and in nine industries in Sector 61, "Educational Services," reflect changes in marketplace conditions in those sectors.

In both sectors, the proposed changes are based on annual gross revenues. The standards delineate how large a business can be and still qualify as small for federal government programs. The dollar limits refer to annual revenues averaged over three years.

As part of the ongoing comprehensive review of all size standards as required under the Small Business Jobs Act of 2010, the SBA is evaluating all industries in these sectors that have revenue-based size standards to determine

whether the existing size standards should be adjusted. The last overall review of size standards occurred more than 25 years ago.

The proposed changes take into account the structural characteristics within individual industries, including average firm size, degree of competition, and federal government contracting trends. This ensures that size definitions reflect current economic conditions within those industries. An SBA White Paper entitled "Size Standards Methodology" (Oct. 21, 2009) explains how SBA establishes, reviews and modifies its receipts-based and employee-based small business size standards. It is available for viewing at <http://www.sba.gov/size>.

The upward revisions would allow some small businesses that are close to exceeding their current size standards to retain small business eligibility under the proposed higher size standards. They also would allow more small businesses to qualify for SBA financial assistance. SBA estimates that up to 13,000 more firms in Sector 53 and 1,500 more companies in Sector 61 will qualify for SBA assistance and other federal programs if the proposed revisions are adopted.