

**June 2011**

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*All SBA programs and services are provided on a nondiscriminatory basis.*

**Comments regarding the newsletter are welcome.**

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## Changes to the 504 Loan Program: Small Business Jobs Act

On September 27, 2010, President Obama signed the Small Business Jobs Act of 2010 (the "Small Business Jobs Act") (Pub. L. 111-240). SBA Information Notice 5000-1183 released October 25, 2010 announced that the Small Business Jobs Act made significant changes to the amounts a small business may borrow through the 504 Loan Program.

The maximum loan amounts under the 504 Program were permanently modified, increasing the 504 loan limit from \$2 million to \$5 million for Regular 504 loans, and to \$5.5 million for special projects, as outlined below.

504 Loan Limitations		
	Before	As a result of the Small Business Jobs Act
Maximum Loan Amount (Regular 504)	\$1,500,000	\$5,000,000
Maximum Loan Amount if a public policy goal	\$2,000,000	\$5,000,000
Maximum Loan Amount if a small manufacturer	\$4,000,000	\$5,500,000
Maximum Loan Amount if at least 10% reduction in borrower's energy consumption	\$4,000,000	\$5,500,000
Maximum Loan Amount if project generates renewable energy or renewable fuels, such as biodiesel or ethanol production	\$4,000,000	\$5,500,000

The loan limit changes modify the provisions set forth in SOP 50 10 5(C), Subpart C, Chapter 7, Paragraph I:

The Gross Debenture cannot exceed:

- a) \$5,000,000 for each small business concern for Regular 504 loans,
- b) \$5,500,000 for each small business concern for Public Policy Projects (see "Eligibility" section, Subpart C, Chapter 2, Paragraph III), and
- c) \$5,500,000 (see "Eligibility" section, Subpart C, Chapter 2, Paragraph III) for:
  - 1) Each project for Small Manufacturers (defined as a business with its primary NAICS Code in Sectors 31, 32, and 33, and all of its production facilities are located in the United States);
  - 2) Each project that reduces the Borrower's energy consumption by at least 10%; and
  - 3) Each project for plant, equipment and process upgrades of renewable energy sources such as the small-scale production of energy for individual buildings or community's consumption, commonly known as micro power, or renewable fuel producers including biodiesel and ethanol producers.

To summarize, the lending limit for a Regular 504 loan (i.e., all except Energy or Small Manufacturer loans) is \$5,000,000 for each small business concern, which includes any prior SBA loan guarantees, committed or outstanding, 7(a) or 504, to the applicant and its affiliates. This \$5,000,000 limit *does include* any prior Energy or Small Manufacturer 504 loans.

The limit of \$5,500,000 for specific Energy (as laid out in the SOP and statute) or Small Manufacturer loan is per Project. There can be more than one such Project for the same applicant or for its affiliates. The \$5,500,000 per Project is not reduced by other prior SBA amounts outstanding, and the number of such Projects for the same business and/or its affiliates is not limited.

## SBA Promotes Exporting by U.S. Small Businesses

Small businesses seeking to grow their businesses and create jobs through exporting can turn to new, free educational videos created through a partnership between the U.S. Small Business Administration, Inc. Magazine and AT&T. Through the public-private partnership, a series of video modules has been developed to inspire and encourage American small businesses to actively pursue exporting and to educate them on how to do so.

“Winning the future means supporting small businesses that want to grow and create jobs through exporting,” said SBA Administrator Karen Mills. “SBA is very pleased to have partnered with Inc. Magazine and AT&T in the production and distribution of this video series, which will help small firms that are new to exporting or looking for new markets to sell their goods and services.”

The video series, *Take Your Business Global*, features five main topics that guide small businesses through the process of exporting: Getting Started in Exporting; Planning for Export success; Connecting with Foreign Buyers; Financing; and five Case Studies of successful small business exporters.

The videos begin with answers to the frequently asked question, Why Export? They feature SBA Deputy Administrator Marie Johns; U.S. Secretary of Commerce Gary Locke; U.S. Trade Representative, Ambassador Ron Kirk, and a variety of small business exporters. Other modules feature exporting experts discussing “how-to” take your business global. The videos are posted at [www.inc.com/exporting](http://www.inc.com/exporting).

SBA has three lending programs to fit the need of small business exporters, including Export Express, International Trade Loans and the Export Working Capital Program. Please see [www.sba.gov/forlenders](http://www.sba.gov/forlenders) for additional information or contact your local Syracuse district office representative.



The U.S. Small Business Administration is hosting the *2011 America East Conference for Lenders* in Niagara Falls/Buffalo, New York. The event is scheduled for Monday, August 15<sup>th</sup> through Wednesday, August 17, 2011. We invite you to take part in this excellent learning and networking experience!

This will be your opportunity to network with SBA senior program managers and center directors, as well industry experts in the field of environmental and appraisal reports and business valuations, among others. You'll join participants attending from SBA Regions I – IV, which covers the East Coast from Maine to Florida, Mississippi to New York, and Puerto Rico.

The conference will provide an up-to-date overview of SBA programs and initiatives together with breakout training sessions conducted by presenters from SBA headquarters, processing and servicing centers, plus industry experts. Each conference day will feature a high profile keynote speaker, expert panel discussions, and training sessions in the areas of SBA 7(a) and 504 Loan Program Policy, Process & Procedures; Secondary Market Participation; special sessions to meet the regulators and other government agency specialists.

The web link for conference registration and hotel reservations is <http://tinyurl.com/439dbwe>.

The \$299.00 registration fee includes all conference materials and meals. Conference headquarters are at the Hyatt Regency Buffalo, with the special conference room rate of \$98.00 per night.

Attendance is relevant for bank management; commercial lenders; and loan credit, documentation, servicing and liquidation staff. Participants will have the opportunity to enhance their SBA skills while growing their network of expert SBA program contacts.

**Syracuse SBA District - YTD FY 11 by County**  
**10/1/10 - 5/31/11**

	<b>7A Approvals</b>		<b>504 Approvals</b>		<b>Total 504 &amp; 7A Approvals</b>	
ALBANY	43	\$8,037,500	5	\$2,458,000	48	\$10,495,500
BROOME	47	\$7,473,900	4	\$4,187,000	51	\$11,660,900
CAYUGA	13	\$1,968,500	1	\$885,000	14	\$2,853,500
CHEMUNG	19	\$3,855,700			19	\$3,855,700
CHENANGO	12	\$1,304,300			12	\$1,304,300
CLINTON	12	\$2,760,000	1	\$1,167,000	13	\$3,927,000
COLUMBIA	3	\$380,000	3	\$488,000	6	\$868,000
CORTLAND	4	\$497,000	1	\$275,000	5	\$772,000
DELAWARE	1	\$50,000			1	\$50,000
ESSEX	5	\$2,355,700	1	\$214,000	6	\$2,569,700
FRANKLIN	7	\$1,459,800			7	\$1,459,800
FULTON	3	\$125,000	1	\$190,000	4	\$315,000
GREENE	1	\$12,500	1	\$219,000	2	\$231,500
HAMILTON	1	\$150,000			1	\$150,000
HERKIMER	12	\$2,130,000			12	\$2,130,000
JEFFERSON	12	\$9,126,400			12	\$9,126,400
LEWIS	7	\$1,026,000	1	\$273,000	8	\$1,299,000
MADISON	8	\$1,591,700			8	\$1,591,700
MONTGOMERY	1	\$39,000			1	\$39,000
ONEIDA	32	\$4,315,000	2	\$2,446,000	34	\$6,761,000
ONONDAGA	93	\$16,691,000	5	\$2,890,000	98	\$19,581,000
OSWEGO	17	\$4,274,100	1	\$264,000	18	\$4,538,100
OTSEGO	9	\$1,976,400			9	\$1,976,400
RENSSELAER	18	\$1,622,200	1	\$170,000	19	\$1,792,200
SAINT LAWRENCE	4	\$435,400	1	\$657,000	5	\$1,092,400
SARATOGA	47	\$9,259,400	7	\$1,533,000	54	\$10,792,400
SCHENECTADY	9	\$1,466,800	1	\$451,000	10	\$1,917,800
SCHOHARIE	2	\$304,000	1	\$642,000	3	\$946,000
SCHUYLER	7	\$1,420,600			7	\$1,420,600
STEUBEN	30	\$6,495,500			30	\$6,495,500
TIOGA	4	\$225,000			4	\$225,000
TOMPKINS	12	\$1,324,000	1	\$371,000	13	\$1,695,000
WARREN	18	\$2,384,600	3	\$2,068,000	21	\$4,452,600
WASHINGTON			1	\$340,000	1	\$340,000
<b>Grand Total</b>	<b>513</b>	<b>\$96,537,000</b>	<b>43</b>	<b>\$22,188,000</b>	<b>556</b>	<b>\$118,725,000</b>

**Syracuse SBA District Loan Approvals - YTD FY 11 (10/1/10 - 5/31/11)**

*by number of loans*

**SBA 7(a) Loan Approvals**

M&T Bank	137	\$24,167,700
NBT Bank	57	\$7,983,400
KeyBank	34	\$1,789,500
New York Business Dev. Corp.	27	\$8,230,000
Five Star Bank	24	\$6,701,300
Adirondack Bank	23	\$2,440,700
The Adirondack Trust Company	23	\$2,052,300
Corning Federal Credit Union	14	\$1,413,500
Citizens Bank	14	\$1,184,000
First Niagara Bank	12	\$1,473,000
HSBC Bank USA	12	\$1,212,500
Alliance Bank, N.A.	11	\$1,172,300
National Union Bank, Kinderhook	9	\$4,028,000
Community Bank	9	\$2,010,300
Superior Financial Group, LLC	9	\$80,000
Solvay Bank	8	\$1,355,000
Tioga State Bank	7	\$2,626,000
USNY Bank	7	\$2,126,000
JPMorgan Chase Bank	7	\$1,199,800
The Oneida Savings Bank	7	\$1,170,000
Chemung Canal Trust Company	7	\$395,000
Pathfinder Bank	5	\$740,000
Saratoga National Bank	5	\$480,000
Glens Falls National Bank	5	\$450,600
Ballston Spa National Bank	4	\$438,200
The Elmira Savings Bank	4	\$342,500
Live Oak Banking Company	3	\$950,000
Watertown Savings Bank	3	\$530,800
Berkshire Bank	3	\$311,500
TD Bank	2	\$1,232,500
Legacy Banks	2	\$632,000
Tompkins Trust Company	2	\$400,000
The Lyons National Bank	2	\$334,000
BNB Bank	1	\$5,000,000
Citco Community Bancshares, Inc.	1	\$2,640,600
Evolve Bank & Trust	1	\$2,285,000
Small Business Capital, LLC	1	\$2,152,000
United Midwest Savings Bank	1	\$670,000
Loan Source Incorporated	1	\$450,000
City National Bank	1	\$320,000
CapitalSource Bank	1	\$317,000
Newtek Small Bus. Finance Inc.	1	\$211,000
The Bank of Bennington	1	\$204,000

**SBA 7(a) Loan Approvals**

Waukegan Savings Bank	1	\$200,000
Unity Bank	1	\$160,000
Citizens & Northern Bank	1	\$155,000
First Heritage Federal Credit Union	1	\$70,000
Steuben Trust Company	<u>1</u>	<u>\$50,000</u>
<b>Total 7(a) Loan Approvals</b>	<b>513</b>	<b>\$96,537,000</b>

Empire State Cert. Dev. Corp.	37	\$18,716,000
Greater Syracuse Bus. Dev. Corp.	5	\$3,208,000
Operation Oswego County, Inc.	<u>1</u>	<u>\$264,000</u>
<b>Total 504 Loan Approvals</b>	<b>43</b>	<b>\$22,188,000</b>

**Total 7(a)& 504 Loan Approvals 556 \$118,725,000**

**504 Third Party Lenders**

NBT Bank	6	\$6,649,962
M&T Bank	5	\$7,094,479
Community Bank	5	\$3,390,094
National Union Bank, Kinderhook	3	\$1,230,000
Pioneer Savings Bank	3	\$1,059,000
KeyBank	2	\$1,738,400
First Niagara Bank	2	\$1,325,000
JPMorgan Chase Bank	2	\$1,192,400
Solvay Bank	2	\$1,028,500
New York Business Dev. Corp.	2	\$883,394
Alliance Bank	2	\$593,200
Champlain National Bank	1	\$1,825,000
Tompkins Trust Company	1	\$600,000
First Niagara Bank	1	\$400,000
Ballston Spa National Bank	1	\$297,000
Ulster Savings Bank	1	\$290,000
City National Bank	1	\$260,000
SEFCU	1	\$227,500
The Bank of Greene County	1	\$124,950
First National Bank of Scotia	<u>1</u>	<u>\$120,000</u>
<b>Total Third Party Loan Approvals</b>	<b>43</b>	<b>\$30,328,879</b>

**Microloans**

Alternatives Federal Credit Union	23	\$409,900
Adirondack Economic Dev. Corp.	10	\$167,926
REDEC	4	\$58,500
Columbia Hudson Partnership	<u>4</u>	<u>\$55,200</u>
<b>Total Microloan Approvals</b>	<b>41</b>	<b>\$691,526</b>

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