

## September 2011

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

*Comments regarding the newsletter are always welcome.*

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## Permanent Export Express Program

In September 2010, the Small Business Jobs Act made the Export Express program, which has been a pilot program, permanent. Notice 5000-1216 announces the implementation and policy for administering and delivering the permanent Export Express program.

### Export Express as a Permanent Program

All references to the Export Express program SOP 50 10 5(C) will be revised. Unless otherwise noted in the Notice, SBA's existing policy for the pilot Export Express program will remain the same in the permanent Export Express program.

### Eligible Export Express Lenders

In order to be eligible to make Export Express loans, lenders must be approved by SBA as detailed below. Previously, under the Export Express *Pilot* Program, Express Lenders were authorized to make Export Express loans. To allow for a smooth transition to the permanent Export Express program, existing Express Lenders will continue to have Export Express authority through December 2, 2011.

The procedures for receiving permanent Export Express authority are different based on the Lender's existing authority.

### Active SBA Express Lenders

Express Lenders that would like to make Export Express loans will need to submit a request to SBA. The request should be submitted to the Syracuse District Office or U.S. Export Assistance Center (USEAC). Once approved, SBA will send the lender the Export Express Supplemental Agreement (Agreement.) The lender will have 30 days to execute and return the Agreement. The lender's Export Express

Authority will coincide with the expiration date of the lender's Express authority.

### Existing 7(a) Lender that Does Not Participate in the SBA Express Program

An existing 7(a) lender that would like to participate in the Export Express Program will need to submit a nomination request to the Syracuse District Office. SBA will contact the local USEAC for comments and process the request in accordance with the procedures and process for the SBA Express program as prescribed under SOP 50 10 5 (C). Lenders can request SBA Express and Export Express authority simultaneously, but are not required to do so. SBA will send lender the Export Express Supplemental Agreement, the lender will have 30 days to execute and return the Agreement.

If lenders are interested in obtaining Export Express participation approval, please contact your local Syracuse District Office representative.

### Loan Amount/Guaranty Percentage

\$350,000 or less = 90% guaranty  
\$350,001 - \$500,000 = 75% guaranty

Additional modifications have been made to the permanent Export Express program, including :

- Eligibility
- Use of proceeds
- Lines of credit
- Application forms
- Collateral requirements

Please see [www.sba.gov/for-lenders](http://www.sba.gov/for-lenders) for additional information or contact your Syracuse District Office Representative.

# 504 Post Debenture Purchase Loan Accounting Report

On March 1, 2011, SBA released the 504 Post Debenture Purchase Loan Accounting Report on-line through the CDC On-Line System at <https://www.colsonservices.com/cdconline/cdcloginscreen.html>.

CDCs are now able to access payment history information from this website on accelerated loans with debentures that have been purchased. This new report replaces the PMQD11 screen that was provided by the Centers to CDCs. The Post Debenture Loan Accounting Report was created for CDCs to provide accurate payment history information on “5” account loans after debenture purchase. SBA’s Denver Finance Center will continue to provide individual loan transcripts upon request.

To access the report follow these steps:

- a. Access CDC On-Line website.
- b. Enter the original 504 loan number.
- c. The Loan Detail report appears.
- d. Loan Status will show as “ACCELER”.
- e. There will be a link: “Debenture (loan number)” on the left side of the report, above the payments list. Click on that link.
- f. The Post Debenture Purchase Loan Accounting Report will appear.

## Recovery Act Certification Requirements

The Loan Guaranty Purchase Center (LGPC) has been processing guaranty purchase requests for Recovery Act loans. As a reminder/clarification below are the requirements for Recovery Act certifications which must accompany any guaranty purchase request involving Recovery Act funds:

### Hiring Practices:

Prior to first disbursement, the Lender must require the Borrower and any Operating Company to certify as follows:

**Immigrations Laws** – Neither the Borrower nor Operating Company has been determined by the Secretary of Homeland Security or the Attorney General to have engaged in a pattern or practice of hiring an alien, recruiting an alien or referring an alien for a fee for employment in the United States, knowing that the person is an unauthorized alien.

### Allowable Uses of Recovery Act Funds:

Lenders must certify on the applicable eligibility questionnaires and checklists that no loan proceeds will be used for restricted use.

If an applicant receives a working capital loan, prior to first disbursement, the lender must require the Borrower and any Operating Company to certify that no funds from the working capital loan will be used for restricted

purposes. This certification must be retained in the lender’s loan file.

### Impact on Purchase Request:

At the time of purchase, the LGPC is required to confirm that the required certifications were acquired and retained.

The LGPC has made the decision that there is no remedy for the immigration certification. If lenders do not have it, then the guaranty percentage must be reduced. The LGPC could not come up with any alternative evidence that would support the requirement of the Recovery Act.

For the Use of Funds, if the lender does not have the required certification, the LGPC will allow the lender to attempt to prove, using other evidence, that the funds were not used for restricted purposes.

If a lender cannot provide either of the certifications or acceptable evidence, then the loan was not eligible to be made under the Recovery Act, and therefore we must reduce the guaranty percentage from 90% to 75%.

This is NOT a repair. It is simply reclassifying the loan as a regular 7(a), since the lender did not ensure that the loan was eligible under the Recovery Act.

Please direct any questions to your local Syracuse District Office Representative.

Syracuse SBA District - YTD FY 11 by County

10/1/10 - 8/31/11

	504 Approvals		7A Approvals		Total 504 & 7A Approvals	
ALBANY	5	\$2,458,000	53	\$9,501,800	58	\$11,959,800
BROOME	4	\$4,187,000	63	\$9,153,400	67	\$13,340,400
CAYUGA	1	\$885,000	16	\$2,218,600	17	\$3,103,600
CHEMUNG			23	\$4,667,700	23	\$4,667,700
CHENANGO			14	\$1,899,000	14	\$1,899,000
CLINTON	1	\$1,167,000	18	\$3,381,000	19	\$4,548,000
COLUMBIA	3	\$488,000	6	\$540,000	9	\$1,028,000
CORTLAND	1	\$275,000	6	\$619,700	7	\$894,700
DELAWARE			1	\$50,000	1	\$50,000
ESSEX	1	\$214,000	6	\$2,415,700	7	\$2,629,700
FRANKLIN			10	\$1,637,700	10	\$1,637,700
FULTON	1	\$190,000	5	\$399,200	6	\$589,200
GREENE	2	\$377,000	1	\$12,500	3	\$389,500
HAMILTON			1	\$150,000	1	\$150,000
HERKIMER			17	\$4,383,200	17	\$4,383,200
JEFFERSON			14	\$9,287,900	14	\$9,287,900
LEWIS	1	\$273,000	8	\$1,066,000	9	\$1,339,000
MADISON			15	\$2,365,700	15	\$2,365,700
MONTGOMERY			2	\$149,000	2	\$149,000
ONEIDA	2	\$2,446,000	50	\$6,758,900	52	\$9,204,900
ONONDAGA	9	\$4,018,000	121	\$19,651,500	130	\$23,669,500
OSWEGO	2	\$469,000	20	\$4,534,100	22	\$5,003,100
OTSEGO			10	\$2,341,400	10	\$2,341,400
RENSSELAER	1	\$170,000	22	\$2,500,700	23	\$2,670,700
SAINT LAWRENCE	1	\$657,000	5	\$515,400	6	\$1,172,400
SARATOGA	10	\$2,103,000	61	\$11,284,400	71	\$13,387,400
SCHENECTADY	2	\$658,000	15	\$3,208,800	17	\$3,866,800
SCHOHARIE	1	\$642,000	3	\$379,000	4	\$1,021,000
SCHUYLER	1	\$489,000	7	\$1,420,600	8	\$1,909,600
STEUBEN			39	\$7,703,800	39	\$7,703,800
TIOGA	1	\$1,534,000	10	\$1,659,000	11	\$3,193,000
TOMPKINS	1	\$371,000	17	\$1,764,000	18	\$2,135,000
WARREN	3	\$2,068,000	22	\$5,244,600	25	\$7,312,600
WASHINGTON	1	\$340,000	2	\$115,000	3	\$455,000
<b>Grand Total</b>	<b>55</b>	<b>\$26,479,000</b>	<b>683</b>	<b>\$122,979,300</b>	<b>738</b>	<b>\$149,458,300</b>

**Syracuse SBA District Loan Approvals - YTD FY 11 (10/1/10 - 8/31/11)**

*by number of loans*

**SBA 7(a) Loan Approvals**

M&T Bank	168	\$26,978,500
NBT Bank	71	\$9,435,400
KeyBank	55	\$4,231,000
New York Bus. Dev. Corp.	32	\$8,590,000
The Adirondack Trust Co.	30	\$3,227,300
Five Star Bank	29	\$7,161,400
Adirondack Bank	26	\$2,827,700
First Niagara Bank	19	\$2,801,200
Citizens Bank	20	\$1,649,000
The Oneida Savings Bank	18	\$3,045,600
Corning Federal CU	18	\$2,032,300
Tioga State Bank	16	\$3,660,000
HSBC Bank USA	16	\$1,770,400
Alliance Bank, N.A.	14	\$1,497,300
National Union Bank, Kinderhook	12	\$4,480,000
Community Bank	12	\$2,225,300
Solvay Bank	11	\$1,920,000
Superior Financial Group	10	\$85,000
Chemung Canal Trust Co.	8	\$1,345,000
JPMorgan Chase Bank	8	\$1,249,800
USNY Bank	7	\$2,126,000
The Elmira Savings Bank	7	\$557,500
Glens Falls Nat. Bank	7	\$545,600
Saratoga National Bank	6	\$555,000
Pathfinder Bank	5	\$740,000
Watertown Savings Bank	5	\$692,300
Ballston Spa National Bank	5	\$453,200
Live Oak Banking Co.	4	\$2,735,000
Tompkins Trust Co.	4	\$1,135,000
Berkshire Bank	4	\$411,500
BNB Bank	3	\$7,975,000
TD Bank	3	\$1,438,500
The Lyons National Bank	3	\$485,000
United Midwest Savings Bank	2	\$1,239,700
Legacy Banks	2	\$632,000
Empower Federal CU	2	\$535,000
Steuben Trust Co.	2	\$101,500
Eastern Bank	2	\$100,000
Citco Community BancShares, Inc.	1	\$2,640,600
Evolve Bank & Trust	1	\$2,285,000
Small Business Capital	1	\$2,152,000
Loan Source Inc.	1	\$450,000
Bank of America	1	\$350,000
City National Bank	1	\$320,000
Capital Source Bank	1	\$317,000
Maple City Savings Bank	1	\$250,000
The Bank of Castile	1	\$247,500
Newtek Small Bus. Finance	1	\$211,000
The Bank of Bennington	1	\$204,000

**SBA 7(a) Loan Approvals**

Waukegan Savings Bank	1	\$200,000
Borrego Springs Bank	1	\$197,200
Unity Bank	1	\$160,000
Citizens & Northern Bank	1	\$155,000
Genesee Regional Bank	1	\$100,000
First Heritage Federal CU	<u>1</u>	<u>\$70,000</u>
<b>Total 7(a) Loan Approvals</b>	<b>683</b>	<b>\$122,979,300</b>

**504 Loan Approvals**

Empire State Certified Dev. Corp.	45	\$21,902,000
Greater Syracuse Bus. Dev. Corp.	8	\$4,108,000
Operation Oswego County	<u>2</u>	<u>\$469,000</u>
<b>Total 504 Loan Approvals</b>	<b>55</b>	<b>\$26,479,000</b>

**Total 7(a)& 504 Loan Approvals 738 \$149,458,300**

**504 Third Party Lenders**

Community Bank	8	\$4,562,094
NBT Bank	6	\$6,565,637
M&T Bank	5	\$7,094,479
First Niagara Bank	3	\$1,725,000
National Union Bank, Kinderhook	3	\$1,230,000
Pioneer Savings Bank	3	\$1,059,000
Alliance Bank	3	\$728,200
The Bank of Greene County	3	\$654,950
KeyBank	2	\$1,738,400
JPMorgan Chase Bank	2	\$1,192,400
Solvay Bank	2	\$1,028,500
New York Business Dev. Corp.	2	\$883,394
The Adirondack Trust Co.	2	\$486,000
Visions Federal Credit Union	1	\$2,141,000
Champlain National Bank	1	\$1,825,000
Beacon Federal	1	\$750,000
Tompkins Trust Co.	1	\$600,000
Ballston Spa National Bank	1	\$297,000
Ulster Savings Bank	1	\$290,000
HSBC Bank USA	1	\$275,000
City National Bank	1	\$260,000
SEFCU	1	\$227,500
Glens Falls National Bank	1	\$200,500
First National Bank of Scotia	<u>1</u>	<u>\$120,000</u>
<b>Total Third Party Loan Approvals</b>	<b>55</b>	<b>\$35,934,054</b>

**Microloans**

Alternatives Federal Credit Union	24	\$434,900
Adirondack Economic Dev. Corp.	11	\$187,926
Columbia Hudson Partnership	5	\$64,700
REDEC	<u>4</u>	<u>\$58,500</u>
<b>Total Microloan Approvals</b>	<b>44</b>	<b>\$746,026</b>

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*by dollar amount*

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