



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

May 25, 2012

The Honorable Marco Rubio
United States Senator
201 S. Orange Avenue, Suite 350
Orlando, Florida 32801

Dear Senator Rubio:

Thank you for your letter on behalf of Richard and Faye Nicoll regarding a U.S. Small Business Administration (SBA) guaranteed loan made to their business, Sunshine Sewing (SS).

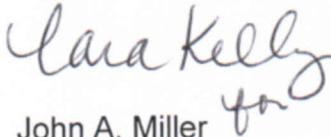
According to Agency records on May 24, 2006, SBA approved a request for 75 percent guaranty of a \$1,165,500 loan to SS from Community South Bank (CSB), an Agency approved participant lender. On August 16, 2011, the loan was reported to SBA as defaulted with a principal balance owing of \$1,115,593.32. Under the Agency's rules, an SBA participant lender is required to service its SBA guaranteed loan portfolio in a commercially responsible and effective manner consistent with sound commercial lending practices. CSB has the delegated authority and responsibility to take all actions necessary to modify the loan within reason and consider all equitable terms and conditions or move forward through the liquidation process to effectively maximize recovery on the loan.

Based on the Nicoll's letter, they are seeking any available relief to assist them in maintaining their business which has decreased sales and margins. To assist, the SBA National Guaranty Purchase Center (NGPC) contacted CSB. CSB advised that it is aware of the situation and has previously granted numerous payment deferments to SS since November 2008. The lender indicates that SS has faithfully paid as agreed through all of the deferments periods. CSB is also in receipt of an April 20, 2012, request for additional assistance and an additional 6 months period of interest only payments. This request is under review and consideration. CSB and SBA will continue to be receptive to any reasonable and responsible workout and restructuring alternatives. We encourage Mr. and Mrs. Nicoll to contact Mr. Bill Bowers of CSB at (865) 329-8227 or email at Bowers@communitysouthbank.com to continue their relationship and discussions. If the Nicolls have any questions regarding SBA loan servicing and collection procedures and rules, or CSB's adherence to these, they may contact Mr. Dana Relyea of the SBA NGPC at (703) 487-9281.

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We appreciate your support of the Florida small business community. If you and your staff have any questions, please contact the SBA Office of Congressional and Legislative Affairs at (202) 205-6700.

Sincerely,

A handwritten signature in cursive script that reads "John A. Miller". The signature is written in dark ink and is positioned above the typed name.

John A. Miller
Director
Office of Financial Program Operations

cc: Dana Relyea, SBA NGPC