



THE LENDER'S ADVANTAGE

A Joint Publication of the Des Moines District Office and the Cedar Rapids Branch Office

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INFORMATION

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

Revised Form 1086 and New Appointments in Region VII

Dear Lender –

The Office of Financial Assistance announces the revised SBA Form 1086, Secondary Participation and Guaranty Agreement. Form 1086 has been updated to include clarifications to prevailing program rules along with additional lender certifications. The [revised form](#) also removes all reference to a warranty period for loans sold at a premium in the secondary market. For more details, please [view Notice](#) at the end of this newsletter.

We are pleased this month with the announcement of the filling of two key SBA positions in our region consisting of Nebraska, Kansas, Missouri and Iowa.

The first announcement is the appointment of Pat Dixon-Brown as the new Region VII Regional Administrator. Ms. Brown-Dixon has worked for the U.S. General Services Administration (GSA) for more than 25 years, currently serving as Director of the Heartland Office of Small Business Utilization. In that role, she is responsible for managing the agency's efforts to support small businesses in the region.

Brown-Dixon has spent her career working alongside the small businesses in the four-state region, as well as across the country. She has won numerous awards for small business advocacy, including the SBA Kansas City District Office's 1995 Minority Business Advocate of the Year award. In 2007, she received the Excellence in Partnership Award from the Coalition of Government Procurement, and in 2009, she was named Advocate of the Year by the Greater Kansas City Minority Enterprise Development Week Committee. Just recently she was selected as a 2011 Woman of Influence by the Kansas City Business Magazine. We look forward to working with her as part of her team.

The second is the appointment of Becky Greenwald as Region VII Advocate. Greenwald will be the Office of Advocacy's direct link to small business owners, state and local government agencies, state legislators, trade associations, and small business organizations.

She has worked in the agricultural sector in the Midwest for over twenty years. As a service manager with Pioneer Hi-Bred International she promoted the change and adoption of critical new business initiatives for customers, field management and sales force. Greenwald has a masters in business administration from Drake University and an bachelor of science degree in family environment from the Iowa State University. She is based out of our Des Moines District office. *(Note: Tom Harbison's agency cell phone number 515-339-4874 has been reassigned to her)*

-Joseph M. Folsom, District Director

The Commercial Loan Servicing Center in Fresno, California Has Moved

Their new mailing address is:

**U. S. Small Business Administration
Fresno CLSC
801 R Street, Suite 101
Fresno, California 93721**

Telephone number – 1-800-347-0922
Fax Number – 202-481-0483

Servicing requests can be sent by e-mail
to: fsc.servicing@sba.gov

Iowa Counties Now Eligible for Economic Injury Disaster Assistance

Small, non-farm businesses in 33 Iowa counties and the neighboring counties in Illinois and South Dakota are now eligible to apply for low-interest disaster loans from the SBA.

These loans offset economic losses because of reduced revenues caused by the severe storms with excessive rain, flooding, flash flooding, hail, high winds and tornadoes that occurred in the following primary Iowa counties from May 1 through September 30, 2010.

Small, non-farm businesses, small agricultural cooperatives and most private, non-profit organizations of any size may qualify for Economic Injury Disaster Loans (EIDLs) of up to \$2 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred.

Primary **Iowa** counties: Iowa, Jackson, Johnson, Louisa, Madison, Scott, Sioux and Washington;

Neighboring **Iowa** counties: Adair, Benton, Cedar, Cherokee, Clarke, Clinton, Dallas, Des Moines,

Dubuque, Guthrie, Henry, Jefferson, Jones, Keokuk, Linn, Lyon, Muscatine, O'Brien, Osceola, Plymouth, Polk, Poweshiek, Tama, Union and Warren;

Neighboring **Illinois** counties: Carroll, Henderson, Jo Daviess, Mercer and Rock Island;

Neighboring **South Dakota** counties: Lincoln and Union.

SBA eligibility covers both the economic impacts on businesses dependent on farmers and ranchers that have suffered agricultural production losses caused by the disaster and businesses directly impacted by the disaster.

Eligibility for these loans is based on the financial impact of the disaster only and not on any actual property damage. These loans have an interest rate of 4% for businesses and 3% for private, non-profit organizations, a maximum term of 30 years, and are available to small businesses and most private, non-profits without the financial ability to offset the adverse impact without hardship.

By law, SBA makes EIDLs available when the U. S. Secretary of Agriculture designates an agricultural disaster.

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency (FSA) about the U. S. Department of Agriculture (USDA) assistance made available by the Secretary's declaration.

Information and application forms are available from SBA's Customer Service Center at (800) 659-2955, or by e-mailing disastercustomerservice@sba.gov, or at the SBA Web site at www.sba.gov/services/disasterassistance

Hearing impaired individuals may call (800) 877-8339. Applicants may also apply online using the Electronic Loan Application (ELA) via SBA's secure Web site at <https://disasterloan.sba.gov/ela>.

The deadline to apply for these loans is September 19, 2011.

Note for Lenders Using Pay.gov – Special Characters No Longer Accepted

Please be advised that the Pay.gov portal will no longer accept the use of special characters such as: ampersands (&), apostrophes, semicolons, dashes, and accents over letters, etc.

This restriction of special characters will affect all fields requiring your

name, address, and credit card information. *If you are a registered user, please update your profile information to remove any special characters.* This will allow you to submit the form without having to correct the fields that are pre-populated.

The Pay.gov website can be accessed at <https://www.pay.gov>.

For questions regarding usage of the Pay.gov web site, please contact the Pay.gov Help Desk at 1-800-624-1373, Option #2.

NAWBO Women Mean Business Summit to be held March 3rd in WDM

The 2011 Women Mean Business Summit “*Surviving to Thriving*” will be held on Thursday, March 3, 2011 from 9:00 a.m. – 4 p.m. at the Holiday Inn and Suites in West Des Moines.

Hosted by the Central Iowa Chapter of the National Association of Women Business Owners, The Summit provides access to inspiring

information, motivation, and small business resources that today's WBOs need for growth and change.

This year's Summit keynote speakers include:

- Rowena Crosby of Tero International a research and corporate training company.

- Emily Starr, President and CEO of StarrMatica, an educational publishing company.

- Connie Wimer, Chairman and Owner/Publisher of Business Publications Corporation.

For more information and to register, go to www.womenmeanbusiness.biz

March 30th Midstates Community and Economic Development Conference

A conference program and registration form for the 11th annual Midstates Community and Economic Development Conference, to be held Wednesday, March 30 at the Marina Inn in South Sioux City, NE can now be downloaded at: <http://www.extension.iastate.edu/woodbury/news/midstates.htm>

The focus of the conference is to offer strategies and ideas to advance community and rural development in Iowa, Nebraska and South Dakota. The 2011 Conference theme is “The Power of Partnerships” and will focus on such topics as creative financing, innovative youth involvement, leadership, and entrepreneurship.

The conference will run from 8:30 a.m. to 4 p.m. Registration, including lunch, is \$35 before Friday, March 18 and \$45 after that date. For more information, please contact ISU Extension-Woodbury County Program Coordinator Adrienne Jansen at (712) 276-2157 or jansena@iastate.edu.

SBA Lender Activity Report for DECEMBER

LENDER NAME	LOCATION	#	AMOUNT	LENDER NAME	LOCATION	#	AMOUNT
QUAD CITY BANK & TRUST CO.	BETTENDORF	5	\$6,360,000	FRONTIER SAVINGS BANK	COUNCIL BLUFFS	1	\$1,928,900
IOWA BUSINESS GROWTH CO.	JOHNSTON	5	\$1,718,000	BANK OF THE WEST	IOWA	1	\$1,828,000
WELLS FARGO	IOWA	5	\$839,000	FIRST CHATHAM BANK	GEORGIA	1	\$1,595,000
GUARANTY BANK & TRUST CO.	CEDAR RAPIDS	5	\$445,000	NORTHWEST BANK	SPENCER	1	\$1,540,000
COMMUNITY STATE BANK	ANKENY	4	\$3,347,000	FIRST WESTERN SBLC, INC	TEXAS	1	\$992,500
CENTRAL BANK	SIoux CITY	4	\$2,946,000	BEACH BUSINESS BANK	CALIFORNIA	1	\$800,000
HILLS BANK & TRUST CO.	HILLS	4	\$685,500	COMPASS BANK	ALABAMA	1	\$772,000
CEDAR RAPIDS BANK & TRUST CO.	CEDAR RAPIDS	3	\$2,795,000	LEIGHTON STATE BANK	PELLA	1	\$625,000
FIRST CENTRAL STATE BANK	DE WITT	3	\$2,175,000	PRAIRIELAND ECON DEVEL CORP	MINNESOTA	1	\$428,000
THE CLINTON NATIONAL BANK	CLINTON	3	\$1,418,800	LIVE OAK BANKING COMPANY	NORTH CAROLINA	1	\$425,000
FIRST NATIONAL BANK	WAVERLY	3	\$1,140,500	I H MISSISSIPPI VALLEY CU	ILLINOIS	1	\$350,000
FARMERS STATE BANK	MARION	3	\$642,100	NORTHSTAR BANK	ESTHERVILLE	1	\$330,600
US BANK	IOWA	3	\$368,000	IOWA STATE BANK	HULL	1	\$328,500
NORTHWEST BANK & TRUST CO.	DAVENPORT	3	\$210,000	CELTIC BANK CORPORATION	UTAH	1	\$320,000
FARMERS & MCHNTS SVGS BANK	MANCHESTER	2	\$3,250,000	IOWA STATE BANK	DES MOINES	1	\$305,000
GREAT WESTERN BANK	IOWA	2	\$1,700,000	ELGIN STATE BANK	ELGIN	1	\$300,000
PEOPLES TRUST & SAVINGS BANK	CLIVE	2	\$1,135,000	ACCESS BANK	NEBRASKA	1	\$250,000
RIDGESTONE BANK	WISCONSIN	2	\$950,000	MIDWESTONE BANK	CONRAD	1	\$233,500
SIouxLAND ECON. DEV. CORP.	SIoux CITY	2	\$751,000	IOWA SAVINGS BANK	CARROLL	1	\$225,000
VALLEY BANK	ILLINOIS	2	\$693,000	CHARTER BANK	JOHNSTON	1	\$200,000
BLACK HAWK ECON. DEV.	WATERLOO	2	\$596,000	FIRST NATIONAL BANK	DAVENPORT	1	\$200,000
COMMUNITY SAVINGS BANK	EDGEWOOD	2	\$509,500	CLEAR LAKE BK & TR CO	CLEAR LAKE	1	\$198,400
BANKERS TRUST CO.	CEDAR RAPIDS	2	\$500,000	SMALL BUS. GROWTH CORP	ILLINOIS	1	\$154,000
AMERICAN TRUST & SVGS BANK	DUBUQUE	2	\$290,000	FIRST NATIONAL BANK	SIoux CENTER	1	\$133,000
FARMERS BANK NORTHERN MO	MISSOURI	2	\$120,000	LEGACY BANK	ALTOONA	1	\$110,000
TWO RIVERS BANK & TRUST	BURLINGTON	1	\$4,500,000	CORP. FOR ECON DEV.	DES MOINES	1	\$81,000
FARMERS STATE BANK	WATERLOO	1	\$2,065,000	FAIRFAX STATE SAVINGS BANK	FAIRFAX	1	\$80,000
LIBERTY BANK, FSB	WEST DES MOINES	1	\$2,000,000	COMMUNITY BANK	MUSCATINE	1	\$60,000

The following lenders were participant lenders in the SBA's 504 Loan Program in Iowa during the month of December

LENDER NAME	LOCATION	#	AMOUNT	LENDER NAME	LOCATION	#	AMOUNT
CITIZENS STATE BANK	FT. DODGE	1	\$905,000	NORTHWEST BANK	SPENCER	1	\$237,500
LIBERTY BANK	SPIRIT LAKE	1	\$705,000	NORTHWEST BANK & TRUST	DAVENPORT	1	\$187,500
TWO RIVERS BANK & TRUST	BURLINGTON	1	\$695,706	QUAD CITY BANK & TRUST	BETTENDORF	1	\$186,891
CRAWFORD CO. TRUST & SVGS	DENISON	1	\$688,082	MIDWESTONE BANK	CEDAR FALLS	1	\$145,000
FREEDOM SECURITY BANK	KALONA	1	\$472,500	COMMUNITY BANK	INDIANOLA	1	\$125,000
C US BANK	CHARLES CITY	1	\$352,000	FREEDOM FINANCIAL	DES MOINES	1	\$98,612



SBA Information Notice

TO:	All Employees	CONTROL NO.:	5000-1194
SUBJECT:	Revised SBA Form 1086, Secondary Participation Guaranty Agreement and Form 1502, Guaranty Loan Status & Lender Remittance Form	EFFECTIVE:	1/28/2011

The U.S. Small Business Administration (SBA) has received approval from the Office of Management and Budget to use revised SBA Forms 1086 and 1502. The Form 1086, Secondary Participation Guaranty Agreement (Form 1086) is used in the 7(a) loan program to document sales of guarantees in the secondary market. The Form 1502, Guaranty Loan Status and Lender Remittance Form (Form 1502) is used by Lenders to report on the status of all SBA loans approved. These revisions supersede all prior versions of the forms, and are to be put into effect on the dates detailed below.

The revision to the Form 1502 involved only a date update and logo and did not involve changes in the current format.

The Form 1086 has been updated to include clarifications to prevailing program rules along with additional lender certifications. More importantly, the revised form removes all reference to a warranty period for loans sold at a premium in the secondary market. A change in financial accounting rules issued in June 2009 restricted lenders from recognizing gain from premiums earned on secondary market sales until the end of the warranty period. SBA solicited public comment by Federal Register Notice on March 19, 2010 on just how this accounting rule change should be applied to SBA secondary market sales (FR Vol. 75, No 53, pages 13329-13330). Upon review of submitted comments, SBA concluded that it is in the best interest of the program at this time to remove the warranty provisions from the form.

Lenders and investors can access the revised SBA Form 1086 and Form 1502 at the website for SBA's fiscal and transfer agent Colson Services Corp. ("Colson"):

http://www.colsonservices.com/main/f_n_r_main.shtml

Or via hyperlink to the Colson from SBA's website:

<http://archive.sba.gov/aboutsba/sbaprograms/elending/1502/index.html>.

The Form 1502 is to be implemented in the month of March for reporting loan payment activity occurring through February 28, 2011. The Form 1086 is effective for all loans submitted for secondary market sales settlement on or after February 15, 2011. We believe a number of loan sale commitments using the older version of the form have already been arranged. Therefore, sales settlement packages received by Colson will be accepted using either version of the form. All sales settlement packages received at Colson after February 14, 2011, must use the February 2011 version of form with older versions returned to the sender for proper re-submission.

Please address any questions on the new SBA Form 1086, version February 2011, to Marybeth Kerrigan at mary.kerrigan@sba.gov.