

MARCH 2012

INFORMATION

On-Line Lender Toolkit

www.sba.gov/for-lenders

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Standard 7(a) Loan Guaranty Processing Center

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Phone: (916) 735-1960
ext. 4368
Fax: (916) 735-1975
or
(916) 735-1680

OR

262 Black Gold Blvd.
Hazard, KY 41701
Phone: 606-436-0801
ext. 229
Fax: (606) 435-2400
E-mail:
loanprocessing@sba.gov

Fresno Servicing Center

Fresno, CA
1-800-347-0922
202-481-0483 Fax

Liquidation & Purchase Center

Herndon, VA
(703) 487-9283
(202) 481-4674 Fax

504 & PLP Processing Center

6501 Sylvan Road
Citrus Heights, CA 95610
(916) 930-2463 or 930-2460
(916) 930-2160 FAX

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

Small Business Week 2012 – Iowa Winners Announced

Each year, since 1963, the President designates one week as National Small Business Week. Scheduled for the week of May 20th of this year, Small Business Week 2012 will honor the more than 26 million small businesses in America. The SBA has announced the following winners of its 2012 Iowa Awards:

Iowa Small Business Person of the Year Tim Greene - Quality Machine of Iowa

Quality Machine of Iowa, Inc. grew out of a company started by Tim Greene's father, Bill in Minnesota. In 1994, Tim relocated the business to Audubon, Iowa with a smaller production division retained in Minnesota for support. In 2004, Quality Machine, Inc. became Quality Machine of Iowa, Inc.

Quality Machine of Iowa is an advanced manufacturing business that does precision machining of metal parts. Its products include oxygen conversion devices, military munitions for tanks and flares for helicopters, components for OEM parts, hydraulic valves, service tools used for both agriculture and automotive equipment, and more.

As the 2012 Iowa Small Business Person of the Year, Tim will represent Iowa at National Small Business Week ceremonies in Washington, D.C. May 20-26, 2012 where he will compete for the National Award. Tim was nominated for this award by Lisa Shimkat, regional director of the North Central Iowa SBDC in Fort Dodge.

Iowa Small Business Exporter of the Year Merrill Manufacturing Company

Merrill Manufacturing Company in Storm Lake was founded in 1949 by Noel Merrill Anderson in a one car garage. Today, the company manufactures and sells the industry's largest selection of frost proof hydrants, pitless units, kits and adapters, well caps, tank tees, insert fittings and other water well accessories. Twenty one patents on the products have been granted to both Noel Anderson and current company president, Stephen Anderson. Merrill Manufacturing is in the Iowa Inventors' Hall of Fame.

Merrill Manufacturing has been exporting for 30 years. Exports began in Canada, progressed then into Mexico with the opportunity of the NAFTA Agreement, and over the past 5 years the

company has further expanded into worldwide exports. Increased export sales have allowed the company to add new jobs and expand production facilities in Iowa.

Merrill Manufacturing Company was nominated for this award by Patricia Cook, International Trade Specialist, U.S. Commercial Service, U.S. Department of Commerce, Des Moines, Iowa.

Iowa Community/Rural Lender of the Year Hills Bank and Trust

With over 10 locations in eastern Iowa, Hills Bank and Trust is recognized as an outstanding community lender in their region of the state. Over the last four years Hills Bank and Trust has made a significant impact in Iowa in making SBA financing available to small businesses.

From FY 2008 through FY 2011, Hills Bank and Trust approved 87 SBA loans worth over \$9.95 million. Over the last two years especially, Hills Bank and Trust made a significant effort to make more capital available to small businesses. In FY 2010, Hills Bank and Trust approved 19 loans for \$2.7 million in Iowa, ranking them seventh among 7(a) lenders in the state for the year. In FY 2011 they approved 30 loans for \$3.9 million which ranked them first among 7(a) lenders in Iowa for the year.

Go to www.nationalsmallbusinessweek.com/ for more information on Small Business Week 2012.

- Joseph M. Folsom, District Director

SBA to Participate in the 2012 Midwest Small Business Government Contracting Symposium

SBA Contracting experts will be on hand at the upcoming Midwest Small Business Government Contracting Symposium held in Moline, IL May 22-24th 2012. This annual event is a great opportunity for small business interested in government contracting. For more information go to <http://www.regonline.com/builder/site/Default.aspx?EventID=1041244>

Overview of the Use of Personal Resources Test for SBA Applicants

As part of its test whether credit is available elsewhere, the SBA reviews the personal resources of any owner of 20 percent or more of the applicant business. This also applies where the combined ownership of spouses and dependent children is 20 percent or more.

Only liquid assets are subject to being injected into the applicant business. Liquid assets include: cash, certificates of deposit, marketable securities and bonds, the cash surrender value of life insurance, and similar assets. Assets transferred by the applicant within six months prior to the application are not exempt.

Liquid assets do not include closely held non-marketable stocks or bonds, IRA's, 401(k)'s, 403(b)'s, Keoghs, Health Savings Accounts, tax-

advantaged Educational Savings Accounts such as 529 accounts, or similar assets, equity in real estate or other fixed assets, or assets already pledged over six months prior to the application.

The amount of personal resources exempt from injection into the business is determined by the size of the total financing package. This includes the SBA loan together with any other loans, equity injection, or business funds for the same project.

If the total financing package is \$250,000 or less, the exemption is two times the total financing package, or \$100,000 whichever is greater. Between \$250,001 and \$500,000 total financing package, the exemption is one and one-half times that amount or \$500,000, whichever is greater. When

the total financing package exceeds \$500,000 the exemption is one times the package, or \$750,000 whichever is greater.

The lender should determine the exemption amount for the total financing package, and subtract it from the liquid assets. If the difference is positive, that amount must be injected into the business.

See SOP 50 10 5 D, pages 103 to 106 or 13 CFR 120.102 for a more detailed explanation of the Utilization of Personal Resources Rule.

You can find the 50 10 5 D on line by clicking the following link: [http://www.sba.gov/sites/default/files/SOP%2050%2010%205\(D\)%20\(9-15-11\)%20clean_0.pdf](http://www.sba.gov/sites/default/files/SOP%2050%2010%205(D)%20(9-15-11)%20clean_0.pdf)

SBA Lender Activity Report for FEBRUARY

LENDER NAME	LOCATION	#	AMOUNT	LENDER NAME	LOCATION	#	AMOUNT
GREAT WESTERN BANK	IOWA	4	\$3,928,700	FIRST NATIONAL BANK	SIoux CENTER	1	\$350,000
IOWA BUSINESS GROWTH CO.	JOHNSTON	4	\$1,926,000	BANK OF THE WEST	IOWA	1	\$313,200
WELLS FARGO BANK	IOWA	4	\$749,700	E.C.I.A. BUSINESS GROWTH, INC.	DUBUQUE	1	\$249,000
US BANK	IOWA	4	\$90,100	HERITAGE BANK NA	SIoux CITY	1	\$155,000
BLACK HAWK ECON .DEV.	WATERLOO	2	\$3,142,000	HILLS BANK AND TRUST CO.	HILLS	1	\$127,000
CENTRAL STATE BANK	STATE CENTER	2	\$2,500,000	FARMERS & MCHNTS SVGS BANK	WAUKON	1	\$105,000
SIouxLAND ECON. DEV. CORP.	SIoux CITY	2	\$966,000	COMMUNITY BANK	INDIANOLA	1	\$100,000
PEOPLES TRUST & SVGS BANK	CLIVE	2	\$488,800	AMERICAN TRUST & SVGS BANK	DUBUQUE	1	\$80,000
AMES COMMUNITY BANK	AMES	2	\$219,100	PEOPLES SAVINGS BANK	WELLSBURG	1	\$75,000
FARMERS STATE BANK	MARION	2	\$195,000	COMMUNITY 1ST C.U.	OTTUMWA	1	\$64,000
NORTHWEST BANK & TRUST CO.	DAVENPORT	2	\$140,000	CLEAR LAKE BK & TR CO	CLEAR LAKE	1	\$56,000
LIBERTY NATIONAL BANK	SIoux CITY	1	\$2,400,000	FIRST NATIONAL BANK AMES	AMES	1	\$30,000
MIDWESTONE BANK	CONRAD	1	\$1,587,000	GREAT SOUTHERN BANK	MISSOURI	1	\$25,000
WEST BANK	WEST DES MOINES	1	\$1,000,000	BANKIOWA	CEDAR RAPIDS	1	\$23,000
FARMERS & MCHNTS SVGS BANK	MANCHESTER	1	\$700,000	BANK MIDWEST	SPIRIT LAKE	1	\$16,500

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

LENDER NAME	LOCATION	#	AMOUNT	LENDER NAME	LOCATION	#	AMOUNT
FIRST AMERICAN BANK	FT. DODGE	2	\$1,153,035	SAVINGS BANK	PRIMGHAR	1	\$592,500
FIRST NATIONAL BANK	WAVERLY	2	\$868,883	AMERICAN NATIONAL CORP.	NEBRASKA	1	\$578,000
NORTHWOODS STATE BANK	MASON CITY	1	\$1,750,000	AMERICAN TRUST & SVGS BANK	DUBUQUE	1	\$300,000
PEOPLE'S UNITED BANK	CONNECTICUT	1	\$1,071,574	CITY STATE BANK	GRIMES	1	\$75,000
NORTHWEST BANK	ANKENY	1	\$800,000	SAVINGS BANK	PRIMGHAR	1	\$592,500