

THE LENDER'S ADVANTAGE

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



STATEMENT BY SBA ADMINISTRATOR MARIA CONTRERAS-SWEET ON THE PRESIDENT'S FY16 BUDGET

On Monday, February 2nd President Obama presented his Fiscal Year 2016 Budget to Congress. Below is a statement from the Administrator of the U.S. Small Business Administration (SBA), Maria Contreras-Sweet.

"This budget shows what we can do if we invest in America's future and commit to an economy that rewards hard work, generates rising incomes, and allows everyone to share in the prosperity of a growing America.

The President looks to the SBA to provide smart, bold and accessible services to entrepreneurs by providing access to capital, high quality consultation, federal contracting opportunities, and disaster assistance.

To support this mission, the President's Budget provides SBA \$701 million in discretionary funding and \$159 million related to major disasters as a discretionary cap adjustment. With this funding, SBA will sup-

port more than \$40 billion in loan guarantees to help over 75,000 small businesses secure the financing necessary to start or expand their businesses. Additionally, SBA will be able to increase microloans and small dollar lending to credit worthy borrowers; promote inclusive entrepreneurship through targeted initiatives to ensure equal access to SBA services; offer unique training opportunities for transitioning service members and current veterans to pursue business ownership; expand entrepreneurial education programs; provide over \$1 billion in disaster relief lending and facilitate access to over \$80 billion in federal contracting.

In FY16, we are requesting \$0 in taxpayer subsidy for our core capital loan programs. Our two primary lending vehicles, our 7(a) and 504 programs, supported nearly \$29 billion in small business lending in FY 2014. With

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TOP 10 LENDER RANKINGS BY NUMBER OF LOANS

OCTOBER 1, 2014 THROUGH JANUARY 31, 2015

LRGV/CCBO Top 10 Volume 7(a) Lenders	#	\$
1. BBVA Compass Bank	30	5,107,200
2. Lone Star National Bank	6	3,377,000
3. JPMorgan Chase Bank N.A.	6	2,627,700
4. First Community Bank-CC	5	3,917,600
5. Wells Fargo	5	1,349,700
6. Inter National Bank	4	989,800
7. Live Oak Banking Co.	2	3,890,000
8. Pacific Western Bank	2	2,768,000
9. First State Bank	1	4,329,500
10. Greater State Bank	1	2,400,000

LRGV/CCBO Top Volume CDC's

1. Texas Cert. Development Co., Inc.	2	963,000
2. Brownsville Local Development Co., Inc.	2	939,000
3. Certified Development Corp., of S.W.	1	811,000

LRGV/CCBO Top Volume Third Party 504 Lenders

1. Kleberg Bank, N.A.	2	1,253,228
2. Inter National Bank	1	1,060,000
3. Bank of the West	1	983,500
4. NavyArmy Community Credit Union	1	337,500

Year To Date

Loan & Dollar Volume:

72 Loans

Approved for:

\$40,409,500

*Additional Supported

Dollars:

3,634,228

*3rd party portion of 504 loans

Jobs Created

363

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default rates being so low on these programs, along with reforms I implemented around collateralizing loans, the fees cover the cost of these key programs. And that is while we have zeroed out fees on 7(a) loans under \$150,000 for all entrepreneurs, and on SBA Express loans under \$350,000 for our nation's veterans.

The Budget also proposes the Scale-Up Manufacturing Investment Funds (SUMIF) program, a new loan guarantee program to assist in financing the scale-up of innovative new manufacturing technologies to commercial-

scale production through a combination of federal loan guarantees and matching private funds totaling \$10 billion over five years.

The President is also requesting \$14.6 million for FY16 to improve agency performance, transform the customer service experience, and bring our agency fully into the 21st century. The centerpiece of our modernization plan is SBA One, the total automation of the 7a loan application that will dramatically cut the time and cost of applying for SBA capital. Four hundred lending

partners have already signed on to the SBA network in recent months, and we expect that number to grow once SBA One is fully implemented. This budget will expand automation into government contracting to make it easier for small businesses to find opportunities to do business with the federal government. It also funds an SBA Idea Lab with coders and software engineers to incubate cutting-edge ideas; an SBA Digital Services Team focused on implementing online innovations; an SBA Center on Efficiency to cut costs and reduce risk; an SBA 24-hour licensing tool to help startups

rapidly research and apply for municipal and state licenses; and an online tool that brings SBA lenders and prospective borrowers together.

The agency is expanding access to capital through SBA's extensive lending programs, growing mentorships, increasing exporting opportunities for small businesses, investing in high-growth businesses, fully funding disaster assistance loans, increasing opportunities for underserved communities and reducing regulatory barriers to entrepreneurship, innovation and U.S. competitiveness."

LENDER WEBINARS—TOOLS FOR SUCCESS

SBA's Real Estate Financing Program

Featuring

Dan Alaniz, Director
Brownsville Local Development Co., Inc dba
Business Development Fund of Texas
Kevin Bowie, Closing Attorney

Friday, February 13, 2015

9:30 AM to 11:30 AM CT

UTPA CESS Bldg.
1407 E. Freddy Gonzalez Dr., Rm 1.118
Edinburg, Texas

Watch your email for more details!

SBA Connect Quarterly Lender Conference -Discussion Topics-

1. Electronic Signature and Credit Scoring Validation
2. 7(a) RBR Notice (PARRIS)
3. Reporting Underserved Market Lending
4. Notice Updates
5. Q&A

Thursday, February 19, 2015

12:00 PM CT

Watch your email for details.

SBA's Export Loan Guaranty Programs

Featuring

Regional G. Harley
Regional Manager,
Export Solutions Group
Office of International Trade

Hosted by the
Lower Rio Grande Valley District Office

Friday, February 27, 2015

10:00 AM to 11:00 AM CT

Watch your email for details.

For questions or to receive Webinar Conference connect info. Contact Maria Perez at: maria.perez@sba.gov or call her at 956-427-8533 Ext.242

LENDER TRAINING—AVAILABLE UPON REQUEST

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|--|-----------------------------------|---|---|
| 1. Introduction to SBA Lending – The 7(a) Loan Program | Contract, Seasonal, and Builder's | Working Capital Program, and Export Express | on SBA Loans via 1502 Reports |
| 2. Small Loan Advantage and E-Tran | 4. SBAExpress | 7. 504 Loan Program | 10. Servicing, Liquidation and Purchase Procedures of SBA Loans |
| 3. Caplines: Working Capital, | 5. 10 Tab Submission | 8. Closing of SBA Loans | |
| | 6. International Trade, Export | 9. Reporting Requirements | |

For lender training contact Lender Relations Specialist Maria Perez at (956) 427-8533 Ext. 242 or email to maria.perez@sba.gov.