

RICHMOND, VA E-NEWSLETTER

3rd Quarter FY 2011

INSIDE THIS ISSUE:

2011 Virginia Small Business Award Winners Announced	2
Free educational videos on Exporting	3
Free Business Continuity Planning Webinars	4

You have subscribed to the Newsletter List of the Richmond, Virginia District Office of the U.S. Small Business Administration. Information provided to you via this newsletter may include general information regarding our Agency and its programs. It will focus primarily on events in the Richmond District Office territory, consisting of all of Virginia, except the counties of Arlington, Fairfax and Loudoun, and cities of Alexandria, Fairfax and Falls Church. If you would like specific information related to the SBA office in your area, please visit our [Local Offices page](#) and click on the office closest to where your business resides or will reside.

Helping small businesses
start, grow and succeed.



Your Small Business Resource

SBA Opens Temporary Refinancing Program to Real Estate Mortgages Maturing after December 2012

Small business owners with eligible commercial real estate mortgages maturing after Dec. 31, 2012, will be able to secure more stable, long-term financing through the U.S. Small Business Administration's temporary 504 refinancing program as a result of a change that was published in The Federal Register on April 6.

In February, SBA implemented a temporary refinancing program enacted under the Small Business Jobs Act of 2010, which allowed small businesses facing maturing commercial real estate mortgages or balloon payments before Dec. 31, 2012, to refinance with an SBA 504 loan. The SBA change will lift the date limitation and will allow more small businesses to secure stable, long-term financing and avoid potential foreclosure on mortgages approved before and during the recession that were based on inflated real estate values.

"With the collapse of the real estate bubble, many small business owners have found themselves unable to refinance as a result of inflated real estate values at the time they took out their mortgage," SBA Administrator Karen Mills said. "SBA's temporary 504 refinancing program was first made available to those small businesses with the most immediate need. Today's step opens this critical assistance to more small businesses, giving them the opportunity to restructure their debt and free up capital that will be essential to keeping their doors open and also their future ability to grow and create jobs."

To be eligible for the temporary 504 refinancing program, a business must have been in operation for at least two years, the debt to be refinanced must be for owner-occupied real estate and have been incurred no less than two years prior to the date of application and the proceeds used for 504-eligible business expenses, and payments on that debt must be current for the last 12 months.

The refinancing loan is structured like SBA's traditional [504 loan](#). Typically, a 504 project includes three elements: a loan (or first mortgage) secured with a senior lien from a private-sector lender covering 50 percent of the project cost, a second mortgage secured with a junior lien from an SBA Certified Development Company (backed by a 100 percent SBA-guaranteed debenture) covering up to 40 percent of the cost, and a contribution of at least 10 percent equity from the small business borrower.

Under the temporary 504 refinancing program, borrowers are able to refinance up to 90 percent of the current appraised property value or 100 percent of the outstanding mortgage, whichever is lower, plus eligible refinancing costs. Loan proceeds may not be used for other business expenses. Existing 504 projects and government-guaranteed loans are not eligible to be refinanced.

Under the Jobs Act, Congress authorized SBA to approve up to \$15 billion in loans under the refinancing program (\$7.5 billion in both fiscal years 2011 and 2012). Together with the first mortgage, this temporary program will provide up to \$33.8 billion of total project financing. The temporary 504 refinancing program will be in effect through Sept. 27, 2012.

SBA's traditional 504 loan program is a long-term financing tool, designed to encourage economic development within a community. A 504 loan provides small businesses with long-term, fixed-rate financing to acquire major fixed assets for expansion or modernization.

To discuss applying under the 504 refinancing program, please contact your lender or an [SBA-approved Certified Development Company in Virginia](#) (NOTE: Please do not call the CDC listed in Charlottesville; it no longer exists. We are working to have this corrected on our website).



2011 VIRGINIA SMALL BUSINESS AWARD WINNERS ANNOUNCED

Virginia Small Business Awards Luncheon to be held June 17th

Each year the President of the United States designates one week as National Small Business Week in recognition of the small business community's contribution to the American economy. The 2011 observance of National Small Business Week is May 16-20 in Washington, D.C. where more than 100 outstanding small business owners from around the country will be honored and the National Small Business Person of the Year will be announced.

Virginia's Small Business Week event, to be held at **The Jefferson Hotel in Richmond on Friday, June 17th**, will honor Virginia's Small Business Persons of the Year along with five other award winners. Nominations for all of the awards were accepted last fall, and winners were selected by an independent panel of judges.

Those to be honored at the Virginia Small Business Awards Luncheon include:

2011 VIRGINIA SMALL BUSINESS PERSONS OF THE YEAR

Keith Nichols, President; John Nichols, Vice President; Jeffery Nichols, Treasurer
Handcraft Services and Launderers, Inc., Richmond, Va.

2011 VIRGINIA FINANCIAL SERVICES CHAMPION OF THE YEAR

Terry Elliott, Vice President
Virginia Commerce Bank, Manassas, Va.

2011 VIRGINIA MINORITY SMALL BUSINESS CHAMPIONS OF THE YEAR

Johnny Thornton, President; Lennie Thornton, Vice President
Thornton Enterprises, Richmond, Va.

2011 VIRGINIA VETERAN SMALL BUSINESS CHAMPION OF THE YEAR

Jack Beecher, Chief, Small Business Office
U.S. Army Corps of Engineers, 803 Front Street, Norfolk, VA 23510

2011 COMMONWEALTH AWARD

William C. Gill, Executive Vice President
Bank of the Commonwealth, Norfolk, Va.

"The individuals we are honoring on June 17th represent the finest traits of American entrepreneurial spirit and we are proud to recognize their accomplishments," said Ron Bew, district director of SBA's Virginia District Office, congratulating all of the award winners.

For information on National Small Business Week festivities and a list of winners, visit <http://www.nationalsmallbusinessweek.com>. To buy tickets to the Virginia Small Business Luncheon, visit <http://www.sbafawards.com/attend/>.



Take Your Business Global

SBA, Inc. Magazine and AT&T Join Forces to Promote Exporting by U.S. Small Businesses

Small businesses seeking to grow their businesses and create jobs through exporting can turn to new, free educational videos created through a partnership between the U.S. Small Business Administration, Inc. Magazine and AT&T.

Through the public-private partnership, a series of video modules has been developed to inspire and encourage American small businesses to actively pursue exporting and to educate them on how to do so.

“Winning the future means supporting small businesses that want to grow and create jobs through exporting,” said SBA Administrator Karen Mills. “SBA is very pleased to have partnered with Inc. Magazine and AT&T in the production and distribution of this video series, which will help small firms that are new to exporting or looking for new markets to sell their goods and services.”

The video series, [Take Your Business Global](#), features five main topics that guide small businesses through the process of exporting: Getting Started in Exporting; Planning for Export success; Connecting with Foreign Buyers; Financing; and five Case Studies of successful small business exporters.

The videos begin with answers to the frequently asked question, Why Export? They feature SBA Deputy Administrator Marie Johns; U.S. Secretary of Commerce Gary Locke; U.S. Trade Representative, Ambassador Ron Kirk, and a variety of small business exporters. Other modules feature exporting experts discussing “how-to” take your business global. The videos are posted at www.inc.com/exporting.

“Inc. is proud to work alongside the Small Business Administration and AT&T to provide entrepreneurs with a valuable resource in their efforts to expand their businesses overseas,” said Bob LaPointe, Inc. President. “This video series will educate business owners about what to expect when they launch an international business. We have put together experienced small business exporters as well as officials from local and national resources to provide a complete picture. Inc. is always happy to help small businesses grow.”

“AT&T is excited to be part of this initiative and to collaborate with the SBA and Inc. magazine,” said Cathy Martine, AT&T Executive Vice President, Small Business Solutions. “We believe U.S. small businesses are engines of innovation, and strongly encourage them to grow by thinking globally and taking advantage of technology. With the emergence of online commerce and digital communications, the potential to export products and services around the world has never been greater.”

Funding for this project was jointly provided by Inc. Magazine and AT&T. Also, Inc. Magazine created the site to host the videos; both firms will distribute DVD copies of the videos and related materials approved by SBA and promote the series in online and print advertising.

The co-sponsorship agreements will remain in effect through August 31, 2012.



SBA and Agility Recovery Solutions Offer Monthly Small Business Disaster Preparedness Webinars

Small business owners have an opportunity to get tips on business continuity planning in 2011 through a series of free webinars hosted by the U.S. Small Business Administration and Agility Recovery Solutions.

"A vital part of growing a small business is guarding the company's infrastructure," said SBA Administrator Karen Mills. "These free disaster preparedness webinars are an opportunity for business owners to learn how to become proactive and practical about analyzing risks and making a plan to recover. This is about not only protecting the business before disaster strikes, but having a plan in place so the business rebuilds quickly and thrives."

The SBA has partnered with Agility Recovery Solutions to offer small business continuity strategies via their "PrepareMyBusiness" website at www.preparemybusiness.org. To register for any of the following webinars, please visit <http://www.preparemybusiness.org/education>:

May 17 – "Crisis Communications Planning"

June 21 – "Hurricane Season preparation"

July 19 – "Disaster recovery best practices"

Aug. 16 – "Social media and disaster recovery"

September – Weekly webinars during National Preparedness Month include testing recovery plans, Pandemic planning, and securing management support for recovery planning.

Oct. 18 – "Preparing your business for the Winter Weather season"

Nov. 15 – "The Impact of Preparedness on the bottom Line"

Dec. 20 – "Management obligations during Disaster Recovery"

More preparedness tips for businesses, homeowners and renters are available on the SBA's website at <http://www.sba.gov/content/disaster-preparedness>.

HAVE A QUESTION?

EMAIL YOUR QUESTIONS:

Our local email address is richmond.va@sba.gov. If you are a small business owner or prospective owner located in our territory of Virginia (see page 1), please contact us if you have questions about starting a business, obtaining business financing, or any of our services.



UPCOMING EVENTS

CALENDAR OF EVENTS:

Be sure to visit our [Calendar of Events](#) for workshops of interest to small business owners in Virginia. To get to the Calendar, go to our [website](#) and click on the "View Full Calendar" under the Events Calendar image.

SHARE THIS NEWSLETTER WITH A FRIEND – Do you know a fellow small business owner who would benefit from the **Richmond, VA SBA Newsletter**? If so, forward it to them or direct them to the registration page at <http://web.sba.gov/list/> (scroll down and click on the box next to Richmond, VA Newsletter).

NEW SUBSCRIBERS – For those who have just joined the Newsletter list, be sure to read earlier newsletters in our [Archives](#).