



THE LENDER'S ADVANTAGE

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*All SBA programs and
services are provided on a
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Jobs Act Makes a Difference

The Small Business Jobs Act signed into law on Sept. 27, 2010 made a significant impact on SBA lending nationwide the first quarter of FY 2011. From October 1 to December 31, 2010, SBA approved nearly 22,000 small business loans for \$10.47 billion, supporting a total of \$12.16 billion in lending. The Jobs Act included an extension of reduced fees and a higher guarantee loan enhancement. Although the number of SBA guaranteed loans in West Virginia remained nearly identical over the same period last year, the dollar volume practically doubled to \$24.6 million. That amount is 55 percent of the total dollar volume approved in West Virginia in FY 2010. **Thank you, participating lenders!**

As a result of swift exhaustion of the Jobs Act appropriations, SBA is no longer accepting Small Business Jobs Act loan applications or requests for increases to previously approved Small Business Jobs Act loans after January 4, 2011.

For any Jobs Act loan applications received after this deadline, SBA will contact the lender or CDC as to whether they wish SBA to process the application as a non-Jobs Act loan with applicable fees and guarantee percentages or to withdraw the loan application entirely.

[SBA Notice 9000-1192](#) provides an overview of the expiration of the temporary Jobs Act loan enhancements and the re-activation of loan queues.

For more information visit the [SBA Electronic Lending](#) website and select the [Notices option](#) on the right side. For Jobs Act information, go to www.sba.gov/jobact or contact [Emma](#) or [Erica](#).

Mark Your Calendars

March 16 through March 18, 2011 are the dates set for the 2011 Western Pennsylvania Association of SBA-Guaranteed Lenders Quality Circle. More information regarding session topics and registration will be forthcoming as soon as it is made available or you may periodically check their web site at <http://wpasgl.org>.

Change in SBA Form 159

Beginning with 7(a) loans approved on or after Dec. 1, 2010, SBA, through Colson Services Corporation, its fiscal transfer agent, is requiring lenders to submit an SBA form 159 7(a) on loans that involve a payment of fees to a loan agent(s). This submission is only required once at the time of initial loan disbursement and should be submitted in conjunction with a lender's 1502 report for the month.

The information may be submitted to Colson either by facsimile or by electronic document imaging utilizing either the Portable Document Format (.pdf) or the Tagged Image File Format (.tif). Lenders may either fax the document to Colson at (718) 315-5170 or email the electronic file to: Form159@colsonservices.com.

Small Loan Advantage and Community Advantage

SBA and U.S. Department of Commerce studies have shown the importance of lower-dollar loans to small business formation and growth in underserved communities. With that in mind, two new loan initiatives – **Small Loan Advantage** and **Community Advantage** – are being launched by March 15, 2011. The Community Express program will sunset on April 30, 2011.

Built on what is referred to as an “Advantage” platform, both programs will offer a streamlined application process for SBA-guaranteed 7(a) loans up to \$250,000. These loans will come with the regular 7(a) government guarantee, 85 percent for loans up to \$150,000 and 75 percent for those greater than \$150,000.

With **Community Advantage**, the agency will expand the points of access small business owners have for getting loans by opening SBA’s 7(a) loan program to “mission-focused” financial institutions, including Community Development Financial Institutions, Certified Development Companies, and non-profit microlending intermediaries. **Community Advantage** will leverage the experience these institutions already have in lending to minority, women-owned and start-up companies in economically challenged markets, along with their management and technical assistance expertise.

Small Loan Advantage will be available to SBA’s PLP lenders (22 in WV) and is built on the Small Rural Lender Advantage process. Small Rural Lender Advantage will remain. The same application process and forms will be used for all programs.

The primary differences between the **Small Loan Advantage** and Small Rural Lender Advantage are:

- **Small Loan Advantage** has a maximum loan size of \$250,000. Small Rural Lender Advantage has a maximum size of \$350,000.
- **Small Loan Advantage** is open to PLP lenders only and loans must be processed through E-Tran.

A lender familiar with the Small Rural Lender Advantage process with delegated authority under PLP will experience a quick approval timeframe for **Small Loan Advantage** loans through E-Tran because of its immediate feedback capabilities. If your institution does not currently have E-Tran access, please contact [Emma](#) or [Erica](#) who will be happy to assist you.

Training on **Small Loan Advantage** and **Community Advantage** will be held on Feb. 17 at 10:00 a.m. To register, go to: <https://cc.readytalk.com/r/at875b13uk82>

Our Partners @ Work

First State Bank recently approved and closed a SBA 7(a) loan to Dr. David Ross for construction of a state-of-the-art dental office and training facility in Barboursville, WV. Constructed as a Leadership in Energy Efficiency and Design (LEED) Certified Building, the facility incorporates geo-thermal heat, sky lights, insulation and other energy efficiencies, HVAC and lighting systems.

Dr. Ross also received a second 7(a) loan through **First State Bank** for dental equipment for the new facility. Both loans were underwritten through the bank’s PLP authority. Credit writer **James Gasperowich** explains that being a PLP lender and using E-Tran gives **First State Bank** a competitive advantage in terms of turn-around time for new loan requests. In addition, the validation feature of E-Tran provides immediate feedback on any loan submission issues. Both loans were approved under the Recovery Act which provided **First State Bank** a 90 percent loan guarantee and Dr. Ross with zero SBA guarantee fees.

As a result of positive experiences such as these, **First State Bank** continues to be committed to using SBA as its primary source for enhancing their business lending program.

Lender Training

TOPIC	DATE	TIME	REGISTRATION LINK
SOP 50 10 Updates	1/20	10:00 a.m.	https://cc.readytalk.com/r/asvobepfft21
Overview of New 7(a) Initiatives	2/17	10:00 a.m.	https://cc.readytalk.com/r/at875b13uk82

You can verify your computer is set up to participate by visiting www.readytalk.com and clicking on the "Test Your Computer" link in the green-shaded area under the "Join a Meeting box." After registering, you will receive an e-mail with the website, phone number and access code information.

Lenders on the Move

Congratulations to **Progressive Bank** and **United Bank** for becoming our newest SBAExpress and Patriot Express certified lenders.

Congratulations also to **Freedom Bank** and **Pendleton Community Bank** for renewing their SBAExpress and Patriot Express status.

Advantages for becoming a SBAExpress lender: 1) Low documentation/streamlined processing; 2) 1 to 3 day guaranteed processing time; 3) 50% Guarantee; 4) Maximum Loan Guarantee - \$1M through 9/26/11 then \$350,000 beginning 9/27/11.

Contact [Emma](#) or [Erica](#) for information on becoming a SBAExpress lender.

FY 2011 1st Qtr. Lender Ranking

	Lender Name	\$ Amount	Loans
1	Huntington Bank	\$4,774,200	20
2	BB&T	\$1,339,500	11
3	Community Trust Bank, Inc.	\$4,225,000	4
4	United Bank	\$940,000	4
5	JP Morgan Chase	\$636,000	4
6	First Chatham Bank	\$5,692,000	3
7	Main Street Bank	\$675,000	3
8	OVIDBC CDC, Inc.	\$650,000	2
9	Superior Financial Group, LLC	\$17,500	2
10	ACNB	\$3,537,000	1
11	First State Bank	\$703,000	1
12	Mountain Valley Bank	\$400,000	1
13	Union Bank, Inc.	\$400,000	1
14	Fidelity Bank	\$328,000	1
15	Business Carolina, Inc.	\$275,000	1

SBA Lender Portal

SBA maintains a unique online site for each active SBA lender, our Lender Portal. By accessing this site, you can view the agency's record of loan activity for your institution. Loan approvals and servicing history are maintained for each separate charter, though not for each branch.

Lender Portal presents not just aggregate data but also optional loan detail, allowing quick identification of risky loans and the capability to contact borrowers proactively. Lender data is presented for the current quarter as well as the eight preceding quarters. Within each quarter, your institution's data is compared with that of your peer group and with the SBA average portfolio.

The first section for Lender Portal depicts your SBA portfolio in brief. Following is your Lender Risk Rating broken down into eleven components. One of these is the SBA's proprietary SBPS Score, a credit model which measures your institution's risk from SBA's perspective. Additional performance ratios follow which are not included in your risk rating.

Then there follows a breakdown of your SBA portfolio by level of risk, compared to that of your peer group and the SBA as a whole. Finally is a section on net flows, which is the cash effect between SBA and your institution of guaranty purchase, fees, and recoveries.

No one but the SBA and your institution will be able to view your particular Lender Portal page; lenders cannot view one another's Lender Portals.

To access your own unique Lender Portal site, go to <https://mi.dnb.com/PDPSBA>. You will see an option to request initial account access. By completing the information request, you will be agreeing to the terms of use and then be given access to the portal for your institution only. Access takes about two weeks for processing.

Patriot Express Program Renewed

A very popular initiative that in just three-and-a-half years has provided more than \$560 million in loan guarantees to nearly 7,000 veterans to start or expand their small businesses has been renewed for three more years.

Patriot Express, a streamlined pilot loan product based on the SBAExpress program, offers an enhanced guaranty and interest rate on loans to small businesses owned by veterans, reservists and their spouses. Over the past two years, due in part to the American Recovery and Reinvestment Act, loan volume increased dramatically.

Launched in June of 2007, Patriot Express expanded upon the more than \$1 billion in loans SBA guarantees annually for veteran-owned businesses across all its loan programs. Patriot Express loans are offered by SBA's network of participating lenders and features one of SBA's fastest turnaround times for loan approvals. Patriot Express loans are available for up to \$500,000. WV lenders have delivered 45 Patriot Express loans for \$5,005,100 since its release.

Contact [Emma](#) or [Erica](#) if your institution is interested in becoming a Patriot Express lender.

David Manley Retires

After 41 years of service, December 30th marked Deputy District Director David Manley's last day with SBA. For those of you who worked with Dave in the past, you know how much he will be missed. Please direct your calls for information and assistance that would have normally gone to Dave to the either the WVDO (304) 623-5631 or the Charleston Branch Office (304)347-5220.