



News Release

PRESS OFFICE

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SBA's New Patriot Express Loan Initiative Shows Strong Early Success

Loans Go To Military Service Members, Veterans, and Spouses

WASHINGTON, D.C. – In the four months since its launch, the U.S. Small Business Administration's SBA Patriot Express Loan Initiative has produced more than 500 SBA guaranteed loans amounting to \$51 million, with an average loan amount of nearly \$102,000, the SBA announced today.

"Each day sees the number of Patriot Express loans rise and the number of participating lenders, currently more than 700 nationwide, rise as well," said SBA Administrator Steve Preston. "We thank these lenders, and those coming aboard, for their special efforts on behalf of entrepreneurial veterans and others in our military community."

The Patriot Express initiative builds on the more than \$1 billion in loans SBA guarantees annually for veteran-owned businesses, and the counseling assistance and procurement support it provides each year to more than 100,000 veterans, service-disabled veterans and Reserve members.

"We have received a remarkable amount of support for Patriot Express from the lending and military communities since we launched the program," said Preston. "It is important for us, particularly around Veterans Day, to support our servicemen and women, so I am particularly pleased by the quick turn-around time to process and approve Patriot Express loans. This success shows government can work faster and better."

Patriot Express is a streamlined loan product based on the agency's highly successful *SBA Express* Program, but with enhanced guaranty and interest rate characteristics.

Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 85 percent for loans of \$150,000 or less and up to 75 percent for loans over \$150,000 up to \$500,000. For loans above \$350,000, lenders are required to secure all available collateral to back the loan and may obtain collateral for smaller loans depending upon individual bank requirements.

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SBA Patriot Express Loans (Pg. two continued) . . .

Interest rate maximums for Patriot Express loans are the same as those for regular 7(a) loans: a maximum of prime + 2.25 percent for maturities under seven years; prime + 2.75 percent for seven years or more. Interest rates can be higher by two percent for loans of \$25,000 or less; and one percent for loans between \$25,000 and \$50,000.

Patriot Express is available to military community members including veterans, service-disabled veterans, service members leaving active duty, Reservists and National Guard members, current spouses of any of the above, spouses of active duty members, and the widowed spouse of a service member who died during service, or of a service-connected disability.

The Patriot Express Pilot Loan Initiative can be used for most business purposes. Details on the initiative can be found at www.sba.gov/patriotexpress.

Patriot Express loans have been approved in all 50 states, the District of Columbia, the U.S. Virgin Islands, Puerto Rico and Guam and currently range from \$5,000 to \$375,000 in individual loan amounts. After loan applications are approved by the bank, they are submitted to SBA for approval. Most applications are approved by SBA within 24 hours.

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Editor's Note:

1. Web-based press kit: http://www.sba.gov/patriotexpress/SBA_PATRIOT_PRESS_KIT.html.
2. List of approved lenders:
http://www.sba.gov/idc/groups/public/documents/sba_program_office/bank_high_paatriotexpress_06.xls