

December 2009

**Washington
Metropolitan
Area
District
Office
(WMADO)**

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*All SBA programs and services
are provided on a nondiscrimi-
natory basis.*

New Base for Fixed Rates Now Available

Per Announcement 5000-1128, the SBA published a notice in the Federal Register on October 1, 2009, noting the creation of a new maximum allowable fixed rate for 7(a) loans (not including *SBAExpress* or Export Express). This new base will be calculated monthly and posted on www.colsonservices.com about the second business day of each month.

This new base will allow lenders to charge a higher interest rate for most 7(a) loans. Lenders may add their usual 7(a) spreads to this new base. If using the new fixed-rate base, the rate must be fixed at settlement. The fixed-rate base for December 2009 is 6.11%. Prime (currently 3.25%), LIBOR+3 (currently 3.23%), and Peg (currently 4%) are still allowable bases and may also be used as variable rates.

Export-Import Bank to hold Seminar for Lenders

As part of the lending against international accounts receivables monthly class for community banks, the Ex-Im Bank will present a seminar at the WMADO on December 17 from 9 a.m. until noon. How the Ex-Im products work with SBA products will be covered. Any lender is welcome to attend this informative session.

Montgomery County Office of Economic Development to Hold Discussion for Small Business Owners

On Monday, January 11, 2010, the Montgomery County Office of Economic Development will hold a seminar to discuss the proposed changes to the regulations about the SBA 8(a) government contracting program.

Registration begins at 8:30 a.m. with the discussion lasting from 9 until noon in the auditorium located at 100 Maryland Avenue, near the Rockville Metro Station.

Small business owners may RSVP by calling 240-777-2035 or emailing Jacqueline.arnold@montgomerycountymd.gov.

SBA's Holiday Hours

The SBA will observe the traditional federal schedule of being closed on Friday, Dec. 25th, and Friday, January 1st. If early dismissal on either the 24th and/or the 31st is indicated by OPM, the SBA will also observe those early closings.

We wish you and yours a very happy holiday season!

Introducing...4th Mondays at SBA

No need to dread Mondays any longer...start your week off right instead. Beginning in January, the District Office will be holding classes for our lenders (experienced and new) in our training room focusing on various aspects of SBA lending. E-mail Melissa.fischer@sba.gov to reserve your space at each class you wish to attend: first come, first served. There is a limit of 32 registrants per class. Feel free to bring your bagel and coffee with you to class for breakfast. For all-day classes, a lunch break will be taken mid-day.

- January 25 9 a.m.—11:30 a.m.
Eligibility issues, origination hints, and submitting picture-perfect packages
- 12:30 p.m.—3 p.m.
Servicing and Liquidation: using the 10-tab system to make your life easier: class is geared towards back-office employees
- February 22 9 a.m.— 3 p.m.
General SOP training: class is suitable for both commercial client managers and for packaging departments
- March 22 9 a.m. — 11:30 a.m.
Using ETRAN to make inputting loans and servicing loans faster and easier: class is for those lenders new to ETRAN and those who want to sign up in the next year
- 12:30 p.m.—3 p.m.
Sales techniques for SBA loans (but no role playing!): class is suitable for business banking/commercial client managers and branch employees with some knowledge of commercial lending

Future classes will include Intensive 504 loans, CAPLine Lending, Surety Bonds, 1502, and more SOP training. Want a specific topic covered? Prefer to have a large group of lenders or branch managers trained at one of your offices? Let us know!

CDCs for 504 loans

Business Finance Group Inc
3930 Pender Dr, #300, Fairfax VA
800.305.0504 www.businessfinancegroup.org

Chesapeake Business Finance Group
1101 30th St NW, #500, Washington, DC
202.342.2973 www.chesapeake504.com

Mid-Atlantic Business Finance Corp.
1410 N. Crain Highway, #5B, Glen Burnie, MD
800.730.0017 www.mabfc.com

Prince George's Financial Services Corp.
1100 Mercantile Lane, #115A, Largo, MD
301.883.6900 www.pgpsc.com

Rappahannock Economic Development Corp.
406 Princess Anne St, Fredericksburg, VA
540.373.2897

Tidewater Business Financing Corp
500 East Main St, #1226, Norfolk VA
540.538.9561

Microlenders for loans under \$35,000

Does your client want a small loan that your underwriters just won't do? Refer the small business owner directly to a local microlender for possible assistance. Microlenders are especially good at working with small deals and with new and start-up businesses.

Enterprise Development Group
901 S. Highland St, Arlington, VA
703.685.0510 www.entdevgroup.org

Latino Economic Development Corp.
2316 18th St NW, Washington, DC
(also a location in Wheaton, MD)
202.588.5102 www.ledcdc.org

Washington Area Community Investment Fund
3624 12th St NW, Washington, DC
202.529.5505 www.wacif.org

Wheeler Creek Community Development Corp.
1130 Varney St SE, Washington, DC
202.574.1508 www.wheelerce.org

Temporary ARRA Provisions

- Eliminated most loan fees for borrowers and lenders on 504 loans
- Eliminated loan fees for borrowers on many 7(a) loans
- Raised guaranty to 90% for many 7(a) loans
- Raised maximum surety bond program guaranty from \$2 million to \$5 million
- Implemented temporary size standard increases for some NAICS codes
- ARC loan program available as of 15 June 2009 (expires 30 September 2010): over 3,900 ARC loans totaling over \$126 million have been approved by SBA as of November 6, 2009.
- Dealer Floor Plan Financing available 1 July 2009

Please note: fee reductions and increased guarantee limits are only available until funding expires. **See the SBA procedural notice 5000-1131 published on November 16, 2009, for information about how to place 7(a) and 504 loans in the potential funding queue for the fee waivers and increased guarantees.**

ARC loan funding has not expired and continues to be available as of December, 2009.

A separate email will be sent if the ARRA provisions are extended. This extension was requested by the President on December 8 and we will notify you as soon as we hear anything else.

Prince George's County Workshops

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| January 16 | Accounting and Recordkeeping
9 a.m.- 4 p.m. |
| January 21 | Successful Business Start-Ups
7 p.m.- 9 p.m. |
| January 23 | Basic Federal Tax Information
9 a.m.- 4 p.m. |

Call 301-322-0797 or see www.pgcc.edu for information

Have YOU done a Recovery Act Loan?

The Metro DC office is often asked by various other federal agencies for local success stories. If you have a client who recently settled an interesting loan, please let us know. This might include a loan creating new jobs, purchasing a vacant building, starting a business, or saving a business. We will keep the story on file and may be able to give the bank and the borrower some good publicity.

Also, in past issues of the Lender's Advantage Newsletter, we have featured a photo of a lender and a borrower along with our District Director and the big SBA check. If you have not been featured and would like to be, please contact us to arrange a date for the photo. We will also invite the media and Congressional representatives to attend the photo session.

DC Workshops for Small Businesses

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| December 18 | Small Business Tax Tips
9:30 a.m. – 12:30 p.m.
www.scoredc.org for registration |
| January 6 | How to Apply for a Small SBA Loan
9:30 a.m. - 10:30 a.m.
www.scoredc.org for registration |
| January 7 | How to Start a Business
9 a.m.- 4 p.m.
www.scoredc.org for registration |
| January 13 | How to Become an 8(a) Company
9:30 a.m.—12:30 p.m.
www.scoredc.org for registration |
| February 22 | 7(a) and 504 lending
Held at MLK Memorial Library, near Gallery Place, from 5:15 p.m. - 7:15 p.m.
Call 202.727.2241 to reserve a seat |

Top Lenders by Category

Statistics for 1 October 2009 through 30 November 2009

All Lender types, ranked by total dollars

1. Business Finance Group	\$3,706,000
2. BB&T	2,735,000
3. Wachovia	1,776,700
4. United Central Bank	1,672,000
5. Mid-Atlantic Business Finance	1,615,000

Community Banks: operate in smaller geographic territories

	# of Loans	\$ Amount of Loans
1. Access National Bank	7	\$1,499,000
2. Capital Bank	6	210,000
3. EagleBank	2	1,275,000
4. K Bank	2	840,000
5. SonaBank	2	440,000

Regional Banks: operate throughout the entire geographic region

1. Fidelity Bank	1	\$556,000
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National Banks: operate in multi-geographic regions

1. BB&T	15	\$2,735,500
2. Superior Financial Group	8	75,000
3. M&T Bank	7	510,000
4. SunTrust Bank	5	681,000
5. United Central Bank	4	1,672,000

Certified Development Companies: process fixed-asset 504 loan 2nd trust loans

1. Business Finance Group	8	\$3,708,000
2. Mid-Atlantic Business Finance	2	1,615,000

504 First Trust Lenders

1. Sandy Spring Bank	2	\$ 585,863
2. M&T Bank	1	1,687,500
3. Alliance Bank	1	1,137,500
4. Cardinal Bank	1	975,000
5. First Citizens Bank & Trust	1	550,000

ARC Lenders

1. Capital Bank of Maryland	6	\$210,000
2. Wells Fargo Bank	2	47,100
3. M&T Bank	1	35,000

Microlenders: non-profit community development groups providing loans up to \$35,000

1. LEDC	1	\$10,000
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Want to boost your business lending?

Call your Lender Relations Specialists for personalized training in SBA products.
Specialized sales training for branch managers also available.