



THE LENDER'S ADVANTAGE

A Joint Publication of the Des Moines District Office and the Cedar Rapids Branch Office

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INFORMATION

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504 & PLP Processing Center

6501 Sylvan Road
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(916) 930-2160 FAX

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

Thank you for your Economic Recovery Efforts

Dear Lender:

As FY 2009 comes to a close, I'd like to take this opportunity to thank you, our lending partners, for the strong push in SBA backed lending that you've made in the last six months.

Since March, shortly after the Recovery Act was signed, SBA lending in Iowa is up 152 percent in terms of dollars approved compared to January and February. Over the last several months, we've been averaging 30 or more SBA loan approvals per week, and Iowa is one of the top states in number of ARC loans approved as well. You have been instrumental in the

economic recovery efforts here in Iowa this year. We hope you will continue the pace you've recently set in terms of helping small businesses get the capital they need to get into business and to stay in business during these uncertain times.

Look for more details on all of our FY 2009 statistics in our next newsletter. In the meantime, if you have any questions, or if we can be of any assistance to you as we begin FY 2010, please don't hesitate to contact us.

- Joseph M. Folsom, District Director

OPTIONS FOR 7a LOAN APPLICATION SUBMISSION

There are four ways a lender can submit an application (for standard 7a, ARC, DFPF, and S/RLA loans). In order of preference they are:

1. Use "Send this File". This is the most preferred method because it is easy to use, does not have file size limitations, and can be accessed by several SBA personnel.

To send it this way: Go to

<http://www.sba.gov/aboutsba/sbaprograms/elending/lgpc/index.html> and click "Submit 7(a) Loan Documents Here", enter the required information and attach the files.

2. E-mail it to the standard 7a program in box. This option works fine as long as the total file size does not approach 5MB in size. If the file size nears or exceeds 5MB though, the e-mail will not go through and neither the sender nor SBA will know that it did not go through. The e-mail address is: 7aLoanProgram@sba.gov.

3. Mail it to us via Fed-X or regular US Mail. Either option will work, but there is the obvious delay for mail time.

6501 Sylvan Road Suite 122
Citrus Heights, CA 95610

4. Fax it to our fax server. This option will work for larger files, but it can be a bit cumbersome to work with.

The fax # is: (916) 735-1975.

Reminders on Payment of Delinquent Taxes. 13 CFR 120.160(d)

a) Loan proceeds **must not** be used to pay delinquent IRS **withholding (payroll) taxes, sales taxes or other funds payable for the benefit of others.**

b) Payment of delinquent income taxes may be permitted if the applicant has an approved payment arrangement with the IRS.

Help your Customers Generate Exports with SBA's Export Working Capital Program

SBA's Export Working Capital Program (EWCP) loans are targeted for businesses that are able to generate export sales and need additional working capital to support these sales. The EWCP loan can be a short-term loan for a single contract or in the form of a line of credit that supports ongoing export sales for a period of 12 months.

Most banks in the U.S. do not lend against export orders, export receivables or letters of credit. SBA provides lenders with up to a 90% guaranty on export loans as a credit enhancement, so that participating banks will make export loans that make the necessary export financing available.

Application is made directly to lenders. The participating lenders review / approve the applications and submit the request to the SBA staff at the USEAC location servicing the exporters' geographical territory.

Financing is available for manufacturers, wholesalers, export trading companies and service exporters. EWCP loan borrowers must meet SBA eligibility and size standards and have been in business

for at least one year. The SBA can waive the one-year in business requirement if the applicant can demonstrate sufficient export expertise and business experience. The exports being financed must be shipped and titled from the United States; there is no U.S. content requirement for the product being exported. The exports must comply with all U.S. Export Administration Regulations and cannot be shipped to a country where the United States has imposed trade embargos or sanctions. "Indirect" exports to domestic buyers who subsequently export, also qualify for EWCP financing.

The maximum EWCP line of credit/loan amount is \$2 million. Participating banks receive a 90% SBA guaranty provided that the total SBA guaranteed portion to the borrower does not exceed \$1.5 million. In those instances where the SBA guaranteed portion reaches the \$1.5 million cap, banks can still get a 90% guaranty thanks to a co-guaranty program between SBA and the Export-Import Bank of the United States (EXIM). Under this program, the bank still submits only one loan application to the SBA and

receives a 90% U.S. government guaranty that is backed by both agencies. For the EXIM Bank guaranteed portion, a higher fee may apply. The SBA does not establish or subsidize interest rates on loans. The interest rate can be fixed or variable and is negotiated between the borrower and the participant lender. The export-related inventory and the receivable generated by the export sales financed with EWCP funds will be considered adequate collateral. The SBA also requires the personal guarantee of owners of 20 percent or more ownership. EWCP loans are typically issued for one year. The SBA fee for an EWCP loan with a 12-month maturity or less is ¼ percent (0.25%) assessed on the guaranteed portion of the loan.

The SBA Senior International Credit Officers, for Iowa, John Nevell, will routinely provide interested lenders with the necessary training to become proficient on the EWCP program. John will work individually with bank staff on questions during the application process. Contact John Nevell, (312) 353-8065, to arrange for in-house training for your bank on SBA export loan products.

Useful SBA Web links for our Lending Partners

There are several links on the SBA's Web site that can be of great use to you, but that might now always be easy for you to find sometimes off of our www.sba.gov homepage.

SBA's Lender Page can now be found at <http://www.sba.gov/aboutsba/sbaprograms/elending/index.html> - (although the old www.sba.gov/banking address will still take you to this page, this is the new address for our lenders page).

SBA's Rural Lender Advantage Page can be found at <http://www.sba.gov/rurallenderadvantage/> - This page has links to Form 2301-A (a Small Business Application), Form 2301-B (Application for Guaranty) and Form 2301-C (Eligibility Questionnaire). All of which you'll need when making a loan under the Rural Lender Advantage Program.

Remember, if there's something you're having trouble finding on our Web pages, give one of our offices a call and we'll be happy to help you locate it.

SBA Lender Activity Report for AUGUST

LENDER NAME	LOCATION	#	AMOUNT	LENDER NAME	LOCATION	#	AMOUNT
FIRST CENTRAL STATE BANK	DE WITT	6	\$228,600	RACCOON VALLEY BANK	PERRY	1	\$405,200
FIDELITY BANK & TRUST	DUBUQUE	5	\$290,000	PEOPLES SAVINGS BANK	INDIANOLA	1	\$380,000
NORTHWOODS STATE BANK	MASON CITY	4	\$1,662,300	CITIZENS FIRST BANK	CLINTON	1	\$292,000
CLEAR LAKE BANK & TRUST CO.	CLEAR LAKE	4	\$1,022,500	CORP. FOR ECON. DEV.	DES MOINES	1	\$290,000
COMMUNITY BANK	INDIANOLA	4	\$319,900	ELGIN STATE BANK	ELGIN	1	\$240,000
US BANK	IOWA	4	\$71,500	BANKERS TRUST COMPANY	CEDAR RAPIDS	1	\$221,800
IOWA BUSINESS GROWTH	JOHNSTON	3	\$2,240,000	SECURITY SAVINGS BANK	LARCHWOOD	1	\$196,000
CEDAR RAPIDS BANK & TRUST CO.	CEDAR RAPIDS	3	\$2,187,400	SMALL BUSINESS GROWTH CORP	ILLINOIS	1	\$188,000
FIRST AMERICAN BANK	FT. DODGE	3	\$942,600	E.C.I.A. BUSINESS GROWTH, INC.	DUBUQUE	1	\$172,000
SIOUXLAND ECON. DEV. CORP.	SIOUX CITY	3	\$842,000	FARMERS & MERCH. SVGS BANK	MANCHESTER	1	\$125,000
NORTHWEST BANK & TRUST CO.	DAVENPORT	3	\$150,000	EXCHANGE STATE BANK	ADAIR	1	\$100,000
THE FIRST NATIONAL BANK	PRIMGHAR	3	\$102,800	HILLS BANK AND TRUST CO.	HILLS	1	\$100,000
COMMUNITY NATIONAL BANK	WATERLOO	3	\$98,300	LIBERTY BANK, FSB	WEST DES MOINES	1	\$100,000
BANK IOWA	WDM	3	\$97,700	WELLS FARGO BANK	IOWA	1	\$96,500
DUPACO COMMUNITY CU	DUBUQUE	3	\$85,000	COMMUNITY STATE BANK	SPENCER	1	\$75,000
THE CLINTON NATIONAL BANK	CLINTON	2	\$1,195,500	COMMUNITY BANK OF BROWARD	FLORIDA	1	\$50,000
WEST BANK	WDM	2	\$810,000	FIRST STATE BANK	BRITT	1	\$43,500
BLACK HAWK ECON. DEV.	WATERLOO	2	\$661,000	AMERICAN TRUST & SAVINGS	DUBUQUE	1	\$35,000
THE FIRST NATIONAL BANK	WEST UNION	2	\$500,000	BLACKHAWK BANK & TRUST	ILLINOIS	1	\$35,000
BRIDGE COMMUNITY BANK	MOUNT VERNON	2	\$487,200	CITIZENS STATE BANK	MONTICELLO	1	\$35,000
MIDWESTONE BANK	IOWA CITY	2	\$435,000	GLENWOOD STATE BANK	GLENWOOD	1	\$35,000
FARMERS STATE BANK	MARION	2	\$155,000	IOWA STATE BANK	DES MOINES	1	\$35,000
BANKIOWA	CEDAR RAPIDS	2	\$105,000	KERNDT BROS. SAVINGS BANK	LANSING	1	\$35,000
GREAT WESTERN BANK	IOWA	2	\$76,600	LINCOLN SAVINGS BANK	CEDAR FALLS	1	\$35,000
FARMERS SAVINGS BANK	COLESBURG	2	\$70,000	MANUFACTURERS BNK & TRST CO	FOREST CITY	1	\$35,000
FIRST CITIZENS NATIONAL BANK	MASON CITY	2	\$70,000	PATRIOT BANK	BROOKLYN	1	\$35,000
IOWA BANK	BELLEVUE	2	\$70,000	TEMPLETON SAVINGS BANK	TEMPLETON	1	\$35,000
PREMIER BANK	DUBUQUE	2	\$70,000	TWO RIVERS BANK & TRUST	BURLINGTON	1	\$35,000
WESTSIDE STATE BANK	WESTSIDE	2	\$70,000	REGIONS BANK	ALABAMA	1	\$33,300
STATE CENTRAL BANK	KEOKUK	2	\$63,500	FIRST NATIONAL BANK AMES	AMES	1	\$33,200
COMMUNITY 1ST CU	OTTUMWA	2	\$63,400	FIRST NATL BANK OF MUSCATINE	MUSCATINE	1	\$24,400
COMMUNITY STATE BANK	ANKENY	1	\$1,500,000	SUPERIOR FINANCIAL GROUP, LLC	CALIFORNIA	1	\$10,000
AMERICAN NATIONAL BANK	HOLSTEIN	1	\$656,900	CENTRAL STATE BANK	MARQUETTE	1	\$5,600

The following lenders were participant lenders in the SBA's 504 Loan Program in Iowa during the month of August

LENDER NAME	LOCATION	#	AMOUNT	LENDER NAME	LOCATION	#	AMOUNT
FARMERS AND MCHNTS SVGS BNK	CEDAR RAPIDS	1	\$1,062,500	COMPASS BANK	ARIZONA	1	\$422,000
FREEDOM FINANCIAL BANK	WDM	1	\$970,000	WELLS FARGO BANK	IOWA	1	\$358,000
LIBERTY BANK	URBANDALE	1	\$850,000	NORTHWEST BANK & TRUST	DAVENPORT	1	\$262,500
FIRST NATL BANK	SIOUX CITY	1	\$475,000	DUPACO COMMUNITY CU	DUBUQUE	1	\$239,700
COMMUNITY NATL BANK	WATERLOO	1	\$445,000	PEOPLE BANK	ROCK VALLEY	1	\$138,000