

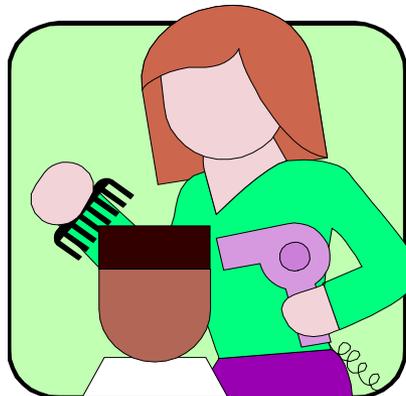
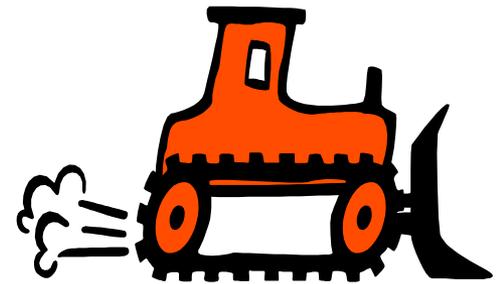
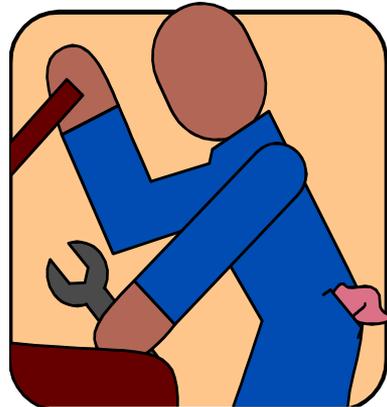
SBA Finance Programs

Rhonda Fisher

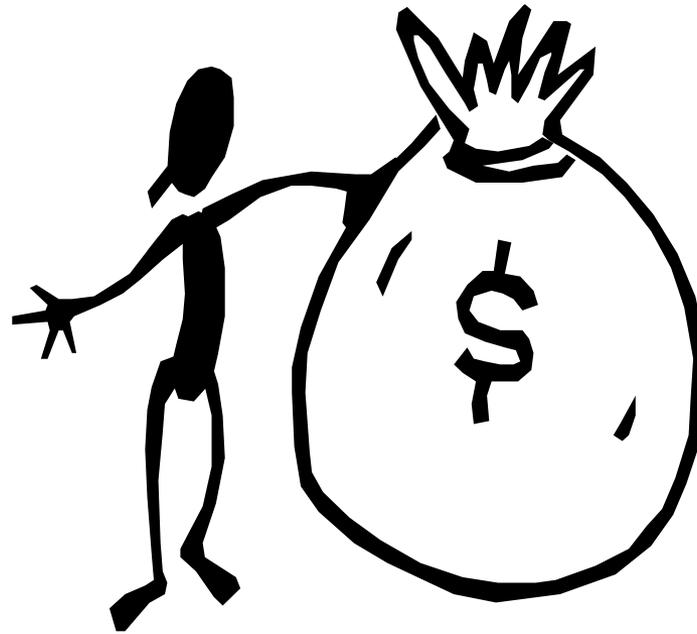
Supervisory Lender

Relations Specialist

SMALL BUSINESS: *Discover New Possibilities!*



SBA & America's Entrepreneurs A Partnership for the 21st Century



7(a) Loan Guaranty Program

- **Reduces Lender's Risk**
- **Assures Repayment**
- **Helps 1000s obtain financing**



Loan Programs

Multiple Loan Programs to Meet Lender and Borrower Needs

- **Regular 7(a)**
 - **SBA Express**
 - **Gulf Opportunity**
 - **Patriot Express**
 - **Dealer Floor Plan**
 - **Small Loan Advantage**
 - **Community Advantage**
- **504**

7(a) Program

- **Maximum loan \$5 Million***
- **85% guaranty up to \$150,000**
- **75% guaranty above \$150,000 up to \$5 Million**

*** The Small Business Jobs Act permanently increased max loan from \$2 Million to \$5 Million**

Eligibility

Factors to Consider:

1. **Size and Affiliation ***
2. **Type of Business** no to – Non Profits, Lenders, Developers, Landlords, speculation, etc.
3. **Use of Proceeds**



SBJA increased size standard < \$15 Million Net Worth & < \$5 Million Net Income

7(a) Continued

■ Fees

❖ 2% \$150.0

❖ 3% \$150.1-\$700.0

❖ 3.5% 700.0+

❖ 3.75% for the portion in excess of \$1.0 Million



Collateral

- **Personal Guaranty from 20% + owners**
- **A 7(a) loan must be fully secured (or secured to the extent possible) with available collateral (both business and personal).**

What to take to the Bank

BUSINESS PLAN

- The Company
- Products & Services
- Marketing Strategy
- Operations
- Management
- Proposed Financing
- Financials



Mississippi Small Business Development Centers

MSBDC State Office

**B-19 Jeanette Phillips Drive
University, MS 38677-1848
(662) 915-5001 FAX: (662) 915-5650
Toll-Free in MS: 1-800-725-7232
e-mail: msbdc@olemiss.edu
Website: www.mssbdc.org**

See Page 10 of the Resource Guide for the Center nearest you!

<http://www.sba.gov/leaving-sba-dot-gov?url=http%3A%2F%2Fwww.sbaguides.com%2Fpdf%2Fenglish%2Fmississippi.pdf>

<http://www.sba.gov/smallbusinessplanner/index.html>

The screenshot shows a Microsoft Internet Explorer browser window. The title bar reads "SBA - How To Write A Business Plan - Microsoft Internet Explorer provided by SBA". The address bar shows "http://app1.sba.gov/training/sbapp/index.htm". The main content area features a blue header with the text "SBA's Small Business Training Network Presents....." followed by the title "How To Write A Business Plan" in a large, bold, black font. Below the title, there is a photograph of a man in a dark suit and light-colored shirt, holding a white card. To the left of the photo, the text reads: "One in a series of online training courses teaching entrepreneurs the fundamentals of starting and managing a business." At the bottom of the page, there is a logo for "SBA" with "U.S. Small Business Administration" underneath. To the right of the logo is the text "Course Script". Further right, there is a dark blue bar with the text "GROWING A BUSINESS" and "www.sba.gov". At the very bottom of the browser window, there is a video player control bar showing "SLIDE 1 OF 30", "PLAYING", and a progress indicator "00:06 / 00:11".

What SBA Looks For:

- **Good Character**
- **Feasible Business Plan**
- **Management Expertise & Commitment**
- **Sufficient Funds to Operate on a Sound Financial Basis**
- **Adequate Equity**
- **Repayment Ability**



SBA*Express*

- ❖ Underwriter uses own forms
- ❖ Use bank's lending policies
- ❖ Loans or revolving lines of credit to \$350,000*
- ❖ SBA guaranty is 50%

* The Small Business Jobs Act of 2010 increased the maximum amount of SBA Express loans from \$350,000 to \$1 million (expires 9/27/2011).

SBA Express Lenders...

Page 25 of the Resource Guide

<http://www.sba.gov/leaving-sba-dot-gov?url=http%3A%2F%2Fwww.sbaguides.com%2Fpdf%2Fenglish%2Fmississippi.pdf>

Gulf Opportunity Pilot Loan Program (GO Loan)

- **Targeted Relief for Small Businesses up to \$150.0**
- **SBA's Most Favorable Guarantee**
- **Streamlined Paperwork for Lenders & Borrowers**



GO Loan Eligible Counties

Adams	Amite	Attala	Carroll
Choctaw	Claiborne	Clarke	Clay
Copiah	Covington	Franklin	Forrest
George	Greene	Hancock	Harrison
Holmes	Humphreys	Hinds	Issaquena
Jackson	Jasper	Jefferson	Jefferson Davis
Jones	Kemper	Lamar	Lauderdale
Lawrence	Leake	LeFlore	Lincoln
Lowndes	Madison	Marion	Monroe
Montgomery	Neshoba	Newton	Noxubee
Oktibbeha	Pearl River	Perry	Pike
Rankin	Scott	Sharkey	Simpson
Smith	Stone	Sunflower	Walthall
Warren	Washington	Wayne	Webster
Wilkinson	Winston	Yazoo	

NEW SBA PATRIOT Express



- **Loans Up to \$500,000**
- **Guaranty percentage – 75 or 85%**
- **Use all bank documents**
- **Use normal underwriting**
- **PLP & Express Lenders**

SBA PATRIOT Express ELIGIBILITY

- **Veterans**
- **Active duty Military eligible for TAP**
- **Reservists & National Guard members**
- **Current spouse of the above**
- **Qualified widowed spouse of a service member**

Dealer Floor Plan

- **The Small Business Jobs Act established the SBA's Dealer Floor Plan (DFP) Pilot Program.**
- **The DFP Pilot gives SBA the ability to issue 7(a) loan guaranties to revolving lines of credit made by qualified participating lenders that are provided to retail dealers of titleable inventory.**

Dealer Floor Plan

- **Maximum guaranty of 75%;**
- **Minimum loan amount of \$500,000 and maximum loan amount of \$5,000,000;**
- **Maximum advance rate of 100% for both new and used inventory;**
- **Minimum loan maturity of 1 year and maximum loan maturity of 5 years ;**
- **Repayment of these lines will occur as the acquired inventory is sold, with interest paid monthly;**
- **Collateral must be secured by a first lien on all titleable inventory purchased with the loan proceeds of the DFP line of credit**

Small Loan Advantage

- **Small Loan Advantage - encourage larger, existing SBA lenders to make lower-\$ loans.**
- **Maximum Loan Size: \$250,000**
- **Guarantee: 85% up to \$150,000 & 75% greater than \$150,000.**
- **Approval Times: electronically through e-Tran approved in minutes. Others in one business day.**
- **Paperwork: streamlined paperwork, two-page application for borrowers.**
- **Lender Requirements: SBA's Preferred Lender Program (PLP).**
- **Time Frame: Implemented on or before March 15, 2011.**

Community Advantage

- ***Pilot* aimed at increasing the number of SBA 7(a) lenders who reach underserved communities**
- **Maximum Loan Size: \$250,000**
- **Guarantee: 85% up to \$150,000 and 75% greater than \$150,000.**
- **Approval Times: within 5 – 10 days.**
- **Paperwork: streamlined paperwork, with a two page**
- **Lender Requirements: mission-focused lenders, Community Development Financial Institutions, Certified Development Companies and micro-lending intermediaries.**
- **Time Frame: three-year pilot initiative. SBA will begin taking applications from mission-focused lenders interested in Community Advantage on or before Feb. 15, 2011, with loan applications accepted on or before March 15, 2011.**

SBA 504 Loan Program

Long Term Fixed Asset Financing

Local lender 50%

SBA/CDC 40%

Small Business 10%

504 LOANS - LOAN LIMITS

- ◆ **\$5.0 Million Maximum SBA/CDC share**
- ◆ **Up to \$5.5 Million for manufacturing**

SBA 504 Temporary Refinancing

- **The economic downturn & declining value of real estate have had a significant, negative impact on many small businesses with mortgages maturing within the next several years.**
- **As a result, even small businesses that are performing well and making their payments on time could face foreclosure because of the difficulties they face in refinancing and restructuring their mortgage debt.**
- **SBA's temporary 504 refinancing program will help many of these small businesses remain viable and protect jobs.**

Under the Jobs Act, Congress authorized SBA to approve up to \$15 billion in loans (\$7.5 billion years 2011 and 2012) The program is expected to benefit as many as 20,000 businesses. The program will be in effect through Sept. 27, 2012.

SBA 504 Temporary Refinancing

- **business must have been in operation for at least two years**
- **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**
- **payments on that debt must be current for the last 12 months**
- **able to refinance up to 90 percent of the current appraised property value**
- **All loans must be approved by September 27, 2012.**

CERTIFIED DEVELOPMENT COMPANIES

**Three Rivers Local Development
Company, Inc.**

Vernon R. Kelley, Executive Director

**P.O. Drawer B
75 South Main Street
Pontotoc, Mississippi 38863
Telephone: (662) 489-2435
Fax: (601) 489-6815
Business Website: trpdd.com
Business Email:
threerivers@trpdd.com**

**Central Mississippi Development
Company, Inc.**

Thelman L. Anderson

**P.O. Box 4935
1170 Lakeland Drive
Jackson, Mississippi 39296-4935
Telephone: (601) 981-1625
Fax: (601) 981-1515
Business Website: mpdd.org/
Business Email: landerson@cmpdd.org**

- Business Laws & Regulatory Assistance
- Training
- News & Events
- FAQs
- Library
- Forms

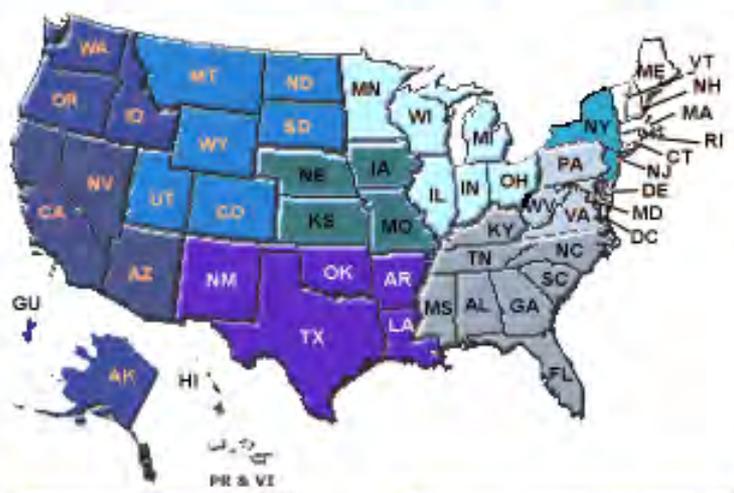
Recovery Assistance for Hurricane Victims (More)

Your Local SBA Office OFFICES IN EVERY STATE

please select OR... Find by zip code

SBA Partners

SBA Lenders



Regional Offices

Disaster Area Offices

Business Opportunities

Disaster Recovery

Top News

- SBA Steps In To Provide Recovery Loans after Hurricane Dennis
- White House Names Stephen Galvan as SBA's Acting Deputy Administrator En Español
- SBA Announces Live Web Chat Series for Small Business Owners
- Demand for SBA-Backed Loans Continues at Record Pace Through 3rd Quarter En Español
- SBA's SBDC Program Marks Its 25th Anniversary
- SBA Offers Disaster Loans for Red Tide in Maine
- SBA Creates New Veterans Business Outreach Centers To Meet Vets Business Needs Nationwide En Español
- More News

YOUR SMALL BUSINESS VOICE LIVE ONLINE

Online Schedule:
Entrepreneurship: Innovative strategies for small business growth
 July 21, 2005 at 1pm (EDT)

Business.GOV
 THE OFFICIAL BUSINESS LINK TO THE U.S. GOVERNMENT

StrengtheningSocialSecurity.gov

SBA Solutions e-newsletter
Keeps you ahead of the curve



United States Small Business Administration

Homepage for the SBA office in Jackson, MS

Jackson, MS

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Small businesses have become household names with the help of the SBA

"Together – we will rebuild our Mississippi!"

PowerPoint and Photos by

Penney Melton, IT Specialist

Mississippi District Office

Mississippi District Office

AmSouth Bank Plaza
 210 E. Capitol Street, Suite 900
 Jackson, Mississippi 39201
 PH: (601) 965-4378
 FAX: (601) 965-5629
 or (601) 965-4294

Gulfport Branch Office

Gulf Coast Business Technology Center
 1636 Popp's Ferry Road, Suite 203
 Biloxi, Mississippi 39532
 PH: (228) 863-4449
 FAX: (228) 864-0179
 (Temporary Location)

What's New?

U.S. Small Business Administration Offices

**Mississippi District Office
AmSouth Bank Plaza
210 E. Capitol Street, Suite 900
Jackson, Mississippi 39201
Telephone: (601) 965-4378
Fax: (601) 965-5629**

Contact Us!

- **SBA Mississippi District Office**
601-965-4378
- **SBA Answer Desk**
1-800-8-ASK-SBA
- **SBA Online**