

We Want Your Business

SBA 504

Do you have a long-term financing package that consists primarily of real estate and/or equipment? Please consider SBA's 504 program. The bank benefits with an excellent collateral position. The client benefits from the low fixed interest rate, favorable terms of 10 to 20 years and the enticing 10-20% capital injection requirements. SCKEDD and the community goals are met by creating or retaining jobs. The current SBA Debenture rates are listed in the "Monthly Rate Corner" below.

Sandra Ring works closely with bankers and their clients to prepare 504 loan application packages in a timely manner. She can take the project from the conception to SBA approval. Marge Sherraden and Julie Baker generate closing documents, prepare projects for the debenture sale and process 504 servicing requests.

SBA 7(a), SBAExpress Loan, and Patriot Express

If you need assistance packaging a new 7(a) project give us a call and we can help you with the packaging and approval process. Although many banks make multiple SBA 7(a) loans each month without our assistance, the banks that utilize our assistance feel secure knowing that they have complete and accurate files.

Recently several bankers have asked us if we package SBAExpress Loans. Yes, SCKEDD now packages SBAExpress and Patriot Express in addition to the regular 7(a) Loans.

SBAExpress Loans are a simpler 7(a) loan, but unless you use the program regularly it is difficult to keep up with it. Express loans are a separate SBA 7(a) program and the bank must apply to get Express authority in order to utilize the program. SBA approval for the Express program can take a few weeks. Wichita SBA representative, Miki Cady, can help you with the approval process. She can be reached at (316) 269-6571, extension *204.

The Patriot Express is a new 7(a) program for U.S. veterans. Rick Rawlings is processing our first Patriot Express loan package for a rural banker. Packaging a Patriot Express is different than an SBAExpress but is similar to the regular 7(a) loan. The Patriot has fewer application forms and allows the bank to use its own documents for closing. If the bank is already an Express Lender, adding Patriot Express authority is easy to do. We would highly recommend adding this level of authority. Banks are able to get the guaranty up to 85% as opposed to the regular Express loan of a 50% guaranty.

Give us a call if you would like us to come out to meet you and/or your staff to discuss the SBA programs and our other internal loan programs. We want to work with you.

CONTACT SCKEDD TODAY!

316-262-7035, 800-326-8353, sandy@sckedd.org or rick@sckedd.org

Your SCKEDD 504 Team is:

Sandy Ring, Program Manager

Marge Sherraden, Closing Officer

Julie Baker, Development Coordinator

Phone—316-262-7035

Fax—316-262-7062

E-mail—sandy@sckedd.org

Website—www.sckedd.org

*TOPICS for
Next Issue:*

504

Appraisals &
Documents
Required to
Purchase
7(a) loans

Monthly Rate Corner

504 Rates based on the most recent Debenture Sale

	"Note Rate"	"Effective Rate" (includes fees)
10-Year*	4.742%	5.819%
20-Year **	5.446%	6.343%

* March 2008 (10-year Debentures sell every other month)
** April 2008

Small Business Protection

In March, SCKEDD staff attended the U.S. Small Business Administration, Office of the National Ombudsman Regulatory Fairness Hearing in Wichita. We thought it was prudent to relay SBA's commitment to small businesses and the entities that work closely with them.

The Office of the National Ombudsman acts as a "troubleshooter" between small business and federal agencies. They assist small businesses with unfair and excessive regulatory enforcement by federal agencies including repetitive audits or investigations, excessive fines, penalties, retaliation or unfair enforcement actions.

Comments and complaints from small businesses can be submitted to the Small Business Administration via forms on the www.sba.gov/ombudsman website or call toll free 888-REG-FAIR (888-734-3247).

Your SCKEDD 7(a) Team is:

Rick Rawlings, Program Manager
(rick@sckedd.org)

Julie Baker, Development Coordinator
(jbaker@sckedd.org)

Phone—316-262-7035

Fax—316-262-7062

Website—www.sckedd.org

Eligible 504 Soft Costs

Did you realize that in addition to the traditional 504 fixed assets costs that soft costs can be included in a 504 project? Examples of soft costs include the following –

- Professional Fees– Directly attributable and essential to the project
- Interim Financing – Repayment of interim financing including points, fees and interest, and
- Administrative Costs – Title insurance, title searches and abstract costs, even if done by the CDC (SCKEDD) attorney; flood insurance; recording and filing fees; surveys; certified copies of organizational documents; settlement agent's fees; overnight delivery, postage and messenger services; certifications required by SBA (such as earthquake, flood, IRS, Certificate of Occupancy, and certificate of completion); and copying costs attributable to the above.

To add or remove your name from our e-mail list, please contact the *Messenger* editor, Jane Johnson, at jjohnson@sckedd.org.

Would you like to see a small business topic or lending topic covered in upcoming issues? Contact Sandy Ring at (316) 262-7035 or e-mail her at sandy@sckedd.org.

SCKEDD

209 E. William, Suite 300

Wichita, Kansas 67202