



# Messenger

June 2009, Vol. 3, Issue 6

## SBA's ARC Loan Program

SBA's America's Recovery Capital (ARC) loan program provides greater incentives to lenders, is more affordable for small business owners and helps to drive economic recovery in your community. An ARC loan is a deferred payment loan up to \$35,000.

### How lenders benefit—

- **Reduced Risk:** 100 percent guaranty provides greater security and confidence to lend.
- **Guaranteed Interest:** SBA will pay monthly interest to the lender at reasonable rates throughout the term of the loan.
- Conventional, commercial business loans (and SBA-guaranteed loans made on or after Feb. 17, 2009) are an eligible use for ARC loan proceeds.
- Proceeds may be used to pay on mortgages, secured and unsecured loans, lines of credit and credit cards if the debt was used for eligible business purposes under the program. Existing terms must be documented.
- SBA turnaround on non-delegated loan applications—expected within five to ten business days.
- Access to E-Tran, SBA's electronic application process available to SBA delegated lenders.
- Existing SBA lenders are eligible to make ARC loans and delegated lenders may make ARC loans on a delegated basis.

### How the community benefits—

- SBA loans help build and retain community businesses, create jobs and stimulate economic activity.

### How small business owners benefit—

- Disbursement period is up to six months.
- ARC loans are interest-free to the borrower, have deferred payments for 12 months, and have no SBA fees associated with them.
- ARC loans will allow borrowers to redirect cash flow from making loan payments to investing in their businesses.
- Banks will begin investing in small businesses again, making credit more readily available for those businesses that need it.
- Streamlined applications by SBA. Application is similar to SBA 7(a).

For more information on ARC loans and our assistance in packaging the new loan program, call Sandy Ring at SCKEDD, 316-262-7035, or call toll-free 800-326-8353 or e-mail her at [sandy@sckedd.org](mailto:sandy@sckedd.org). SCKEDD packaging fee of \$1,000 to \$1,500 will apply.

### CONTACT SCKEDD TODAY!

**316-262-7035, 800-326-8353, [sandy@sckedd.org](mailto:sandy@sckedd.org)**

#### Your SCKEDD 504, 7(a) and ARC Team is:

*Sandy Ring, Program Manager  
Julie Baker, Development Coordinator  
Daniel Crook, Development Coordinator  
Jane Johnson, Administrative Assistant*

Phone—316-262-7035  
Fax—316-262-7062  
E-mail—[sandy@sckedd.org](mailto:sandy@sckedd.org)  
Website—[www.sckedd.org](http://www.sckedd.org)

**WE'VE MOVED!**  
SCKEDD's new offices are at 200 W. Douglas, Suite 710, Wichita, KS 67202.  
Our phone and fax numbers remain the same.

## Monthly Rate Corner

504 Rates based on the most recent Debenture Sale

	"Note Rate"	"Effective Rate" (includes fees)
10-Year *	3.433%	4.490%
20-Year **	5.022%	5.897%

\* May 2009 (10-year Debentures sell every other month)  
\*\* June 2009