



U.S. Small Business Administration

North Carolina District Review

U.S. Small Business Administration, 6302 Fairview Road, Suite 300, Charlotte, NC 28210
Phone: (704)344-6563 Fax: (704)344-6769

DECEMBER, 2003

The *NC District Review* is available via e-mail or fax. To receive via e-mail, visit www.sba.gov and click on 'Subscriptions.' To receive via fax, notify Cecelia Rolls by phone at 704-344-6810, by fax at 704-344-6769 or e-mail at cecelia.rolls@sba.gov.

MOST ACTIVE LENDER RANKINGS FY 2004 YTD

October 1, 2003 – November 30, 2003

LENDERS

	<u>7(a)</u>	<u>504</u>	<u>Total</u>	<u>\$ Amount</u> <u>Millions</u>
Large Banks				
1. Bank of America	42	1	43	\$1.2
2. Capital One	37	0	37	\$1.7
3. Wachovia Bank	9	0	9	\$8.1
4. Innovative Bank	8	0	8	\$0.06
5. Goleta National Bank	6	0	6	\$1.5
5. First Citizens Bank & Trust Co.	4	2	6	\$1.5
Community Banks				
1. Bank of Granite	10	0	10	\$3.6
2. Southern Bank & Trust Co.	8	0	8	\$0.8
2. Sound Banking Co.	6	0	6	\$0.5
3. Surrey Bank & Trust Company	6	0	6	\$0.4
Small Business Lending Companies				
1. CIT Small Business Lending Corporation	9	0	9	\$5.8
2. Self-Help Credit Union	8	0	8	\$0.6
Certified Development Companies				
1. Self-Help Ventures Fund		4	4	\$1.3
2. Charlotte Certified Development Corporation		3	3	\$1.5
3. Wilmington Industrial Development Corporation		2	2	\$1.1
3. Smoky Mountain Development Corporation		2	2	\$0.8
3. Centralina Development Corporation		2	2	\$0.3

SBA SAYS GOODBYE TO VALUED EMPLOYEES WITH OVER 100 YEARS OF FEDERAL SERVICE

It is with both joy and sadness that we announce four key employees will be retiring in January 2004. Each has dedicated years of service to lenders and small businesses in North Carolina and the Nation. Their experience and expertise will be greatly missed.

Barbara Freeman has served the North Carolina District as Assistant Deputy Director, 8(a) Business Development. Since starting with SBA in 1980, Barbara has helped hundreds of firms in the 8(a) program, which is designed to help eligible businesses secure Federal Government contracts. She has also worked for the SBA in Omaha, Nebraska and Kansas City, Missouri.

Macie Alexander is a Business Opportunity Specialist in the 8(a) Business Development Division. Macie has 31 years of Federal service, which include working at SBA's nationwide Answer Desk (800-U-ASK-SBA), and the Social Security Administration.

Weylan "Lanny" Loftis has worked in various positions in his 23 years with SBA. These include Disaster assistance, Finance, 8(a) Business Development, Entrepreneurial Development and Portfolio Management Divisions. Lanny spent 11 months in California aiding in the recovery of businesses and families from the devastation of the Northridge earthquake in 1994. He has been the union steward of AFGE Local 3841.

Mr. Howard Barber has been an SBA Employee for 23 years. He has worked in the Portfolio Management and Disaster Divisions. He has conducted on-site visits for lender Oversight reviews & training sessions. Howard has coordinated hundreds of guaranty purchases with our lending partners.



Weylan "Lanny" Loftis, Barbara Freeman, Macie Alexander and Howard Barber say farewell to the SBA.

We also wish a fond farewell to Ms. Lane Bolin, Paralegal in SBA's Legal Division. Lane worked on everything to do with closings and also provided training to lenders. She left SBA in October to accept a promotion with the Transportation Security Administration.

SBA APPROVES TWO NEW PREFERRED LENDERS IN NORTH CAROLINA

The U.S. Small Business Administration has approved the Alabama based Regions Bank and Georgia based Omni National Bank as additional Preferred Lenders in the state of North Carolina.

Regions Bank has offices in Alabama, Arkansas, Florida, Georgia, Louisiana, North Carolina, South Carolina, Tennessee and Texas.

Omni National Bank has offices in Fayetteville, High Point, Parkton and also has a loan production office in Charlotte.

The SBA Preferred Lenders Program (PLP) includes those who have been heavily involved in regular SBA loan-guaranty processing and have met certain other criteria. Under PLP, SBA delegates loan approval, closing, and most servicing and liquidation authority and responsibility to these carefully selected lenders.

PLP lenders are nominated based on their historical record with the Agency. They must have demonstrated a proficiency in processing and servicing SBA-guaranteed loans. The credit criteria for PLP loans in the same as that for the CLP and/or the Regular 7(a) program. In the event of payment default by the borrower and the need for enforced collections, the PLP lender agrees to liquidate all business assets before asking SBA to honor its guaranty.

To become a Preferred Lender, contact the SBA's Finance Division at 704-344-6810.

NEW REPORT RANKS NORTH CAROLINA SMALL BUSINESS FRIENDLY BANKS

According to a new report issued by SBA's Office of Advocacy, North Carolina's top five small business friendly banks are:

1. Southern Community Bank and Trust Company (Winston-Salem)
2. Northwestern National Bank (Wilkesboro)
3. Catawba Valley Bank (Hickory)
4. Surrey Bank and Trust Company (Mount Airy)
5. American Community Bank (Monroe)

This ranking is part of the comprehensive "Small Business and Micro Business Lending in the United States, 2002 Edition," the seventh in an annual series.

The report analyzes bank lending patterns across the United States and across commercial bank sizes. It found that during the continuing economic recovery of 2001-2002, small business lending by banks showed only moderate increases. However, the number of the smallest business loans (under \$100,000) increased by 45%, which seems to be a result of the promotion of small business credit cards by large bank holding companies.

"This report is one tool small businesses can use when they shop for loans," said Thomas M. Sullivan, Chief Counsel for Advocacy. "It also provides policymakers with data they need to make informed decisions on financial matters," he said.

The ranking, located in table 3A of the report, is based on Consolidated Reports of Condition and Income (call reports), which banks submit to their federal regulators. Call report data is considered the most useful when analyzing a bank's commitment to small business lending in the state. The report does not rank bank participation in SBA guaranteed loan programs.

The call reports and Community Reinvestment Act (CRA) reports provide the data for the full study. Both the call report and CRA data provide useful information, but they are not comparable.

The Office of Advocacy, the “small business watchdog” of the government, examines the role and status of small business in the economy and independently represents the views of small business to federal agencies, Congress, and the President. It is the source for small business statistics presented in user-friendly formats and it funds research into small business issues.

For the full report, visit the Office of Advocacy website at www.sba.gov/advo.

LENDERS SBA WEB SITE – “www.sba.gov/banking”

SBA website contains complete information on all SBA loan programs, all SBA Forms, Policy and Procedural Notices, SBA Regulations and Standard Operating Procedures. You also will find the standardized 7(a) Loan Authorization and information on 1502 reporting procedures. This is intended to be a one-stop site; however if other information is needed or would be beneficial to you as a lender, please let us know.

MONTHLY LENDER WORKSHOP

The NC District Office conducts Lender Workshops from 9:00 a.m. until 12:15 p.m. on the second Tuesday of each month at the Charlotte office. See below for upcoming dates. The workshops focus on SBA Loan Programs and borrower eligibility. Walk-ins are welcome, but the presenter appreciates knowing in advance if you are planning to come. Call Celia Rolls at (704) 344-6810 to register.

January 13

February 10

POLICY CHANGES AND CLARIFICATIONS

Authorization Wizard Compatibility and Support to Lenders SBA Policy Notice 5000-895

All business loans guaranteed by SBA except those 7(a) loans processed under Express procedures are required to use a Loan Authorization made up of terms and conditions that come from SBA’s National Boilerplate. This Boilerplate contains all the pre-approved terms and conditions that can be used to assemble an SBA Authorization.

The Loan Authorization Wizard (Wizard) is a Microsoft Word based computer program that allows its users to assemble an appropriate loan authorization tailored to the requirements of a particular loan.

SBA used Word 97 as the basis for the Wizard (and other word processing functions) until 2002 when SBA converted to Microsoft Word 2002 and its Visual Basic for Applications (VBA) macro language.

In September 2003, SBA released its Wizard based on Microsoft Word 2002 and the VBA software, although the Agency continues to support the Word 97 version of the Wizard. Both versions of the Wizard contain the same boilerplate language, so both versions are currently valid.

Lenders have reported some problems with the new VBA version of the Wizard. These problems generally result from lenders attempting to operate the September 2003 VBA Wizard in a Word 97 environment.

SBA will continue to support the Word 97 based Wizard for the next several months, so lenders could also opt to revert to the Word 97 version of the Wizard.

Lenders should note that Microsoft has announced that it will not support Word 97 after January 2004. In addition, SBA plans in coming months to release its next version of the VBA based Wizard, which will include new boilerplate language that will incorporate anticipated policy and legislative changes. The release of SBA's next version of the Wizard is expected to take place in January 2004. When that version is released, all prior versions will be obsolete, including the Word 97 Wizard. SBA will discontinue supporting Word 97 as a platform for the Wizard at that time.

For more information on the Word 97 version, lenders should contact Auth-7a@sba.gov.

Relocation of Colson Services 504 Department SBA Information Notice 5000-897

Effective December 15, 2003, Colson Services Corporation has moved their 504 Department. The address for all street and all overnight mail is now:

**Colson Services Corp
4 New York Plaza
17th Floor
New York, NY 10004**

Colson's 504 PO Box as well as their toll free number, (800) 225-4285, will remain the same.

However, the new fax number will be changed to **(212) 623-6104**. In addition, please note the new numbers for the following individuals:

John Hogan	(212) 623-6015
Melissa Poulimas	(212) 623-6028
Rich Ventura	(212) 623-6037
Peter Casey	(212) 623-8166

SBA increases Size Standard for Facilities Support Industry SBA Information Notice 6000-781

SBA has increased its revenue-based size standard for small businesses in the facilities support services industry from \$6 million in average annual receipts to \$30 million. Size standards are established separately for industry groups as defined by the North American Industry Classification System.

For additional information on the new size standard, visit the SBA's Office of Size Standards Web page at www.sba.gov/size, and click on "What's New?"

HOLIDAY GREETINGS

The holiday season is a special time of the year. It is a time to give thanks, a time to reflect. It is a time to celebrate, a time to enjoy. It is a time for family, a time for friends. For the SBA North Carolina District Office staff, it is a time for us to say thanks to the lenders, resource partners and small businesses that helped us achieve a banner year in 2003.

Wishing you and your family a happy holiday. We look forward to working with you in 2004.

Happy Holidays and a Great New Year!



REMINDER: SBA DAYS

If you have clients who would be interested in learning more about SBA's programs, they can schedule a 30 minute, one-on-one information session with an SBA Representative. Call to make an appointment at the following locations:

Sponsor	Location	Day	Hours	Phone Number
Cary Chamber	Cary	Third Wednesday	10 a.m. - 2 p.m.	919-467-1016
SBA	Charlotte	Fourth Tuesday	9 a.m. - 4 p.m.	704-344-6563
Gaston Co. Chamber	Gastonia	Second Tuesday	9 a.m. - 1 p.m.	704-864-2621
Greensboro Chamber	Greensboro	First Tuesday	10 a.m. - 2 p.m.	336-510-1234
Henderson Co. Chamber	Hendersonville	Third Friday	10 a.m. - 2 p.m.	828-692-1413
Catawba Co. Chamber	Hickory	Third Tuesday	10 a.m. - 2 p.m.	828-328-6000
Cabarrus Co. Chamber	Kannapolis	Fourth Thursday	9 a.m. - 3 p.m.	704-782-4000
Lake Norman Chamber	Cornelius	Third Thursday	9 a.m. - 2 p.m.	704-892-1922
Mooresville Chamber	Mooresville	First Thursday	9 a.m. - 2 p.m.	704-664-3898
Rowan Co. Chamber	Salisbury	Fourth Wednesday	9:30 a.m. - 2 p.m.	704-633-4221

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N.C. DISTRICT OFFICE LENDER CONTACTS

David Dillworth	(704) 344-6578	david.dillworth@sba.gov
Gary Borchardt	(704) 344-6377	gary.borchardt@sba.gov
Karen Hoskins	(704) 344-6381	karen.hoskins@sba.gov
Thomas Neal	(704) 344-6577	thomas.neal@sba.gov
Cecelia Rolls	(704) 344-6810	cecilia.rolls@sba.gov