



U.S. Small Business
Administration



Turning Possibilities into Lending Opportunities

Maximizing SBA Loan Programs to Grow

October 17, 2024

U.S. Small Business Administration

Overview

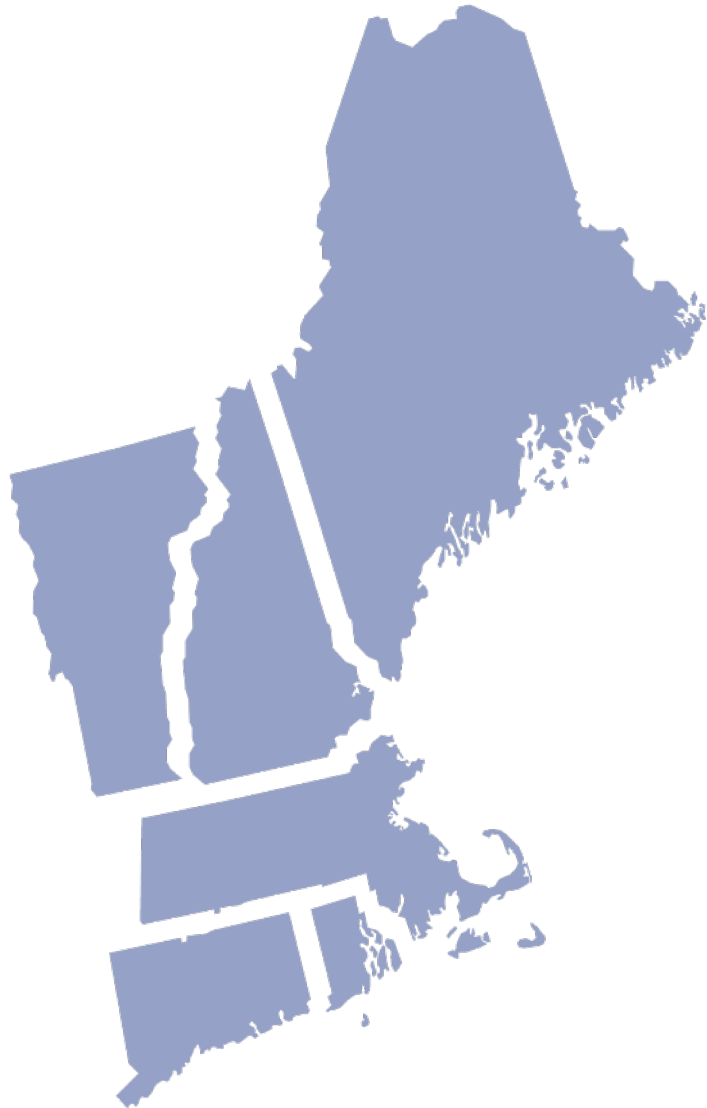
- Simplified SBA process since COVID
- FY2025 program fees continue low
- Streamlined Borrower Application Process
- Streamlined Lender Origination Process
- Streamlined Compliance Process
- Streamlined Purchase Process

Fees in FY2025

7(a) Fees Notices

- Information Notice [5000-858936](#)
 - FY 2025 fees for regular 7(a) delivery methods
 - Annual Service (Lender) Fee: \$500,000 or less: \$0
 - Guaranty (Borrower Upfront) Fee: \$1 million or less: \$0
 - See the [Training on Demand](#) video and deck for this Notice
- Information Notice [5000-859410](#) – FY25 fees for 7(a) WCP (New Pilot)
 - Annual Service Fee:
 - FY 2024: \$1 million or less: \$0
 - FY 2025: \$500,000 or less: \$0
 - Guaranty Fee/Upfront Fee FY 2024 and FY 2024: \$1 million or less: \$0

Missed Opportunities – SBA Lending



SBA Lending continues to be a solid portion of many commercial loan portfolios.

How many loans? How large is the SBA portfolio in your area of operations?

[Click to view SBA's online Lender Report - select "District Office" to customize.](#)

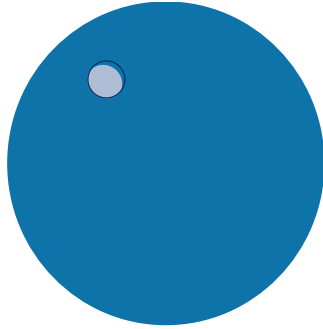
Leverage the SBA Guaranty



With SBA-guaranteed loans, you:

- Minimize your risk
- Expand your presence
- Penetrate new markets
- Lock in credit unions members
- Even access to secondary market

SBA Loan Programs



504 Loan



7(a) Loan



Microloan



Community
Advantage
Loans



International
Trade Loans

Benefits of SBA Lending

Benefits for Credit Unions

SBA small-dollar loans do not count against the business loan cap for credit unions. The SBA guaranty also:

- Provides portfolio risk reduction
- Generates additional income from secondary market sale



Benefits for Borrowers

- Reasonable term loans for which they may not otherwise qualify
- Smaller equity requirements mean lower down payments
- Longer repayment terms mean lower monthly payments and increased cash flow



Tools for Lenders

E-Tran

Lender Match

What is CAFS?

<https://caweb.sba.gov/cls>

CAFS (Capital Access Financial System) is a repository of various lender and loan financial applications or information.

Individual Applications within CAFS:

- **Partner Information Management System (PIMS)** – Lender information
- **Electronic Lending – Origination (ETran)** – Submit loan guaranty requests
- **Electronic Lending – Servicing (ETran)** – Update/edit existing loans
- **LLMS Portal** – Lender portal for Risk Based Reviews and corresponding metrics
- **MySBA Loan Portal** – Borrower portal for Disaster & EIDL applicants
 - **Lender Match** – Referral tool for lenders and borrowers
- **FTA Portal** – 7a 1502 reporting via the 1502 Gateway
- **CDCOnline** – 504 Certified Development Companies

Dashboard

SBA U.S. Small Business Administration

CAP

Accounting ▾ Admin ▾ General ▾ **Loans ▾** Micro ▾

Capital Access

Welcome: [REDACTED]

[REDACTED]

7A Connect - Access only for SBA 7a Lenders and SBA Employees

Electronic Lending - Origination (ETRAN)

Elect

Electronic Lending - Post Servicing (ETRAN)

LLMS Portal

MySBA Loan Portal

After you've been approved access to ETRAN modules, you can locate them within the **Loans** drop-down (*the view on this page is showing random selections*).



Fraud Risk Framework

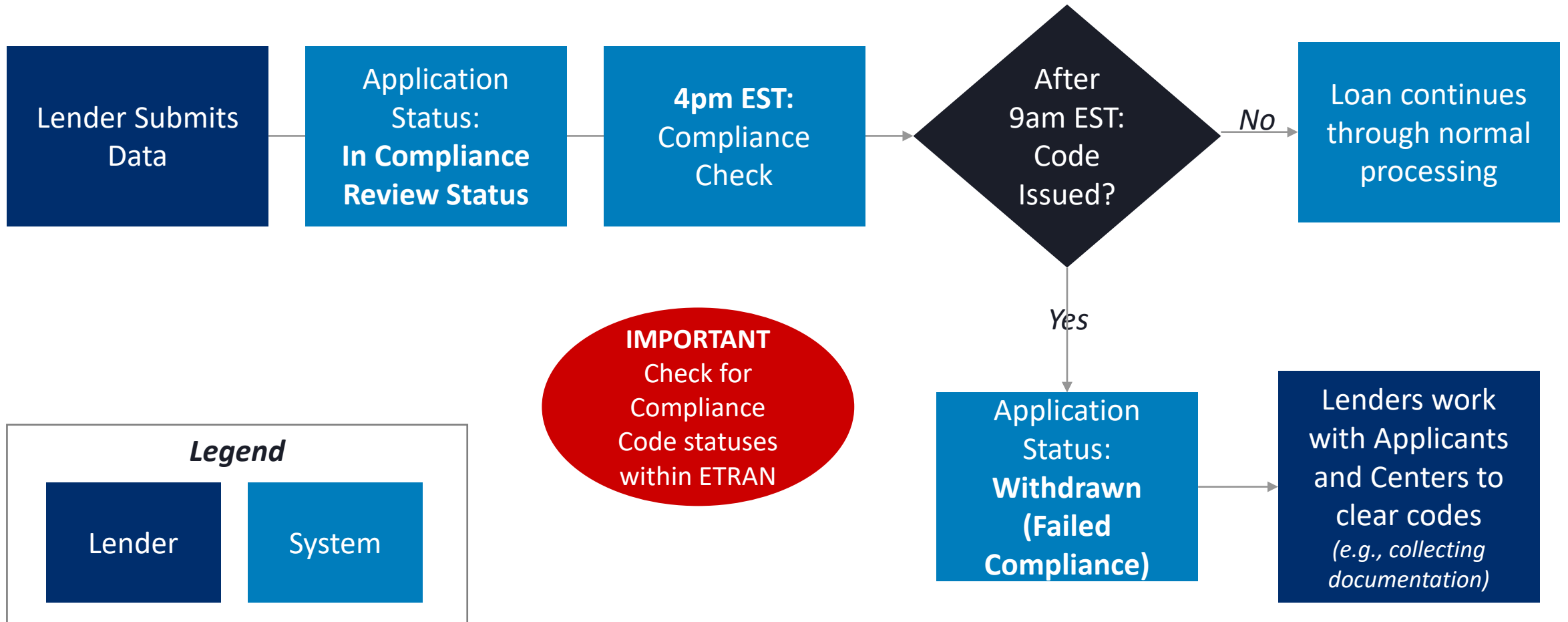
AKA

SBA's Compliance Process

Compliance Check

(Applies to all loan types.
Triggered when you click on
Submit for a loan)

High-Level Compliance Code Process



Compliance within Origination

Program Compliance for borrower's use of the SBA's loan programs is now part of the origination process.

This releases you from policing your members.



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7(a) Terms and Conditions

1502 Information & Reporting

This screen is used to view and make corrections to your 1502 Report

E-Lend Servicing

Reports Search Lender Receivables Global E-Trans Acceleration Prepayment Voluntary Termination Manage Tasks

Loanonly Documents Chron Guaranty Fee Whatif History Origination LANA LCMS CLCS GPTS ELIPS

Amount: \$2,000 Status: Disbursed Current Loan

App: 10703988 Funded: 09/24/2021

SBA Express Program

Expand Collapse

Applicant

Loan Info

Agent Info

New Agent

1502 Info

Lender Comments

Project Info

Repayment

UCC Filings

History/Asst Filing(s)

Secured Parties

Debtors

Borrowers

1. Jane Maxwell

Principals

1. Jane Maxwell

New Principal

Adjust Principal

New Borrower

Guarantors

New Guarantor

Associates

New Associate

Business Financials

New Business Financial

Federal Records

1502 Information, Guaranty Loan

Warning: Existing 1502 data is still being processed. Any updates to 1502 data with a later effective date update will override the existing data.

* Current Data: Modify data and hit Save/Next to create new 1502 entry. Source: Etran

* Loan Status:
☐ Active Un-Disbursed ☒ Disbursed Current ☐ Lender Deferred Disbursed ☐ Past Due Disbursed ☐ Delinquent Disbursed
☐ In Liquidation Disbursed
☐ Paid In Full ☐ Voluntary Termination

* Reporting As Of Date: 01/21/2022 Status Date: 11/02/2020 Disbursement Ind: Y

Total Amount Undisbursed: \$1,720.00 * Date of First Disbursement: 11/02/2020

* SBA Outstanding Balance Amount: \$280.00 Balance As Of Date: 12/17/2020

* Month-Ending Information

Loan Disbursed Amount:

Prin Paid Amount: Next Installment Due Date: 11/02/2020

Interest Paid Amount: Interest Paid Date:

Reset Clear Save Save / Next

* 1502 History

#	LeadID	Source	IntRt	RefDt	IntPaidTo	PrinPaid	NextInstmnt	LnchLoan	Disb	OutstBl	Undisb	GovSec	Extrast	MFUnload	Warr	Int	First	Last
					Int		DueDt		Amnt	Amnt	Amnt	Fee	Dt				Name	Name
1	12/17/2020	PTA	5.00	11/20/2020			11/02/2020		1	5900.00	11,500.00		12/17/2020					PTA
2	12/17/2020	cmnamia400	5.00	12/17/2020			11/02/2020		1	5380.00	11,720.00		12/17/2020				cmnamia4	cmnamia4
3	12/17/2020	cmnamia400	5.00	12/17/2020			11/02/2020		1	5300.00	11,700.00		12/17/2020				REPLACED	cmnamia4
4	12/18/2020	HEForman00	5.00	11/24/2020			11/02/2020		1	5900.00	11,500.00		12/18/2020				HEForman	HEForman
5	11/25/2020	HEForman00	5.00	11/02/2020			11/02/2020		1	5900.00	11,500.00		12/18/2020				REPLACED	HEForman

SBA Training On Demand



Search



SBA 7(a) Connect Quarterly Recording April 11, 2023

Unlisted



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Universal Purchase Package (UPP)

Document search

Use the fields to narrow your search and select the “Search for documents” button to see your results. A list of our most recently published documents also follows.

Search

Document type

- Any -

Program

- Any -

Responsible office

- Any -

Document activity

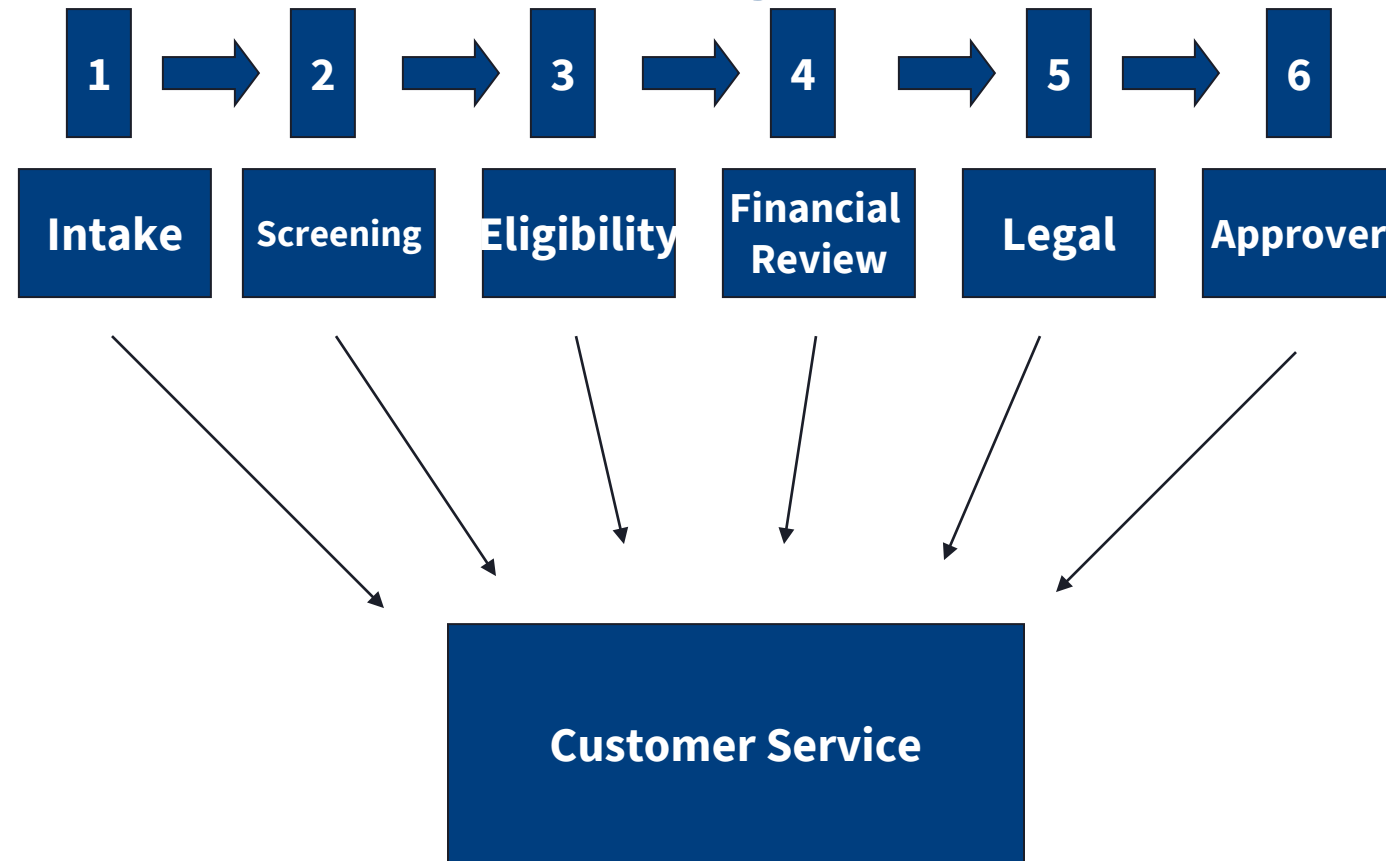
- Any -

Sort by

Last updated date

Search for documents

Guaranty Purchase Process Flow - The Life of a Purchase Package



If a purchase package is complete it moves from step 1 through step 6 with no stops. If there are questions or missing documents, the package is sent to Customer Service to request additional information from the lender.

A Legal review is only required when the loan is recommended for charge off at the time of purchase, or if a repair or denial issue has been identified during the Eligibility or Financial Review.

Streamlined Purchase Process

There is now one, “Universal Purchase Package” aka UPP

Reducing uncertainty and confusion.

This applies to ANY loan submitted for “SBA to honor the guaranty” - regardless of when the loan originated

A simplified, streamlined form will generate questions to address the loan. Changing document requests specific to that loan.

Key Takeaways

Remember These Key Takeaways

SBA lending:

- Reduces your risk
- Expands your loan volume
- Raises your profile in the community
- Counts toward CRA credit
- Increases your cash flow



Lender Match



- Lender Match connects participating small business borrowers with SBA lenders.
- Lender Match can increase your reach to borrowers – both in your community and as far as you choose to target.
- Lenders can customize a profile to target potential current or new members who are seeking financing – but meet your targeted potential members.

Connect with SBA Resource Partners



Small Business Development Centers

Small Business Development Centers (SBDCs) provide entrepreneurial training and counseling.



SCORE Business Mentors

SBA partners with SCORE to connect you with an expert business mentor in a wide range of services at no cost.



Veterans Business Outreach

Get in touch with a Veterans Business Outreach Center (VBOC) to start or grow your veteran or military spouse-owned business.



Women's Business Centers

SBA partners with Women's Business Centers (WBCs) to offer training, counseling, and resources to women-owned businesses.

SBA District Contacts

Available:

- 1-1 Lender Visits
- Weekly/Ad Hoc Lender Trainings
- Lender Forums
- 7a Connect Calls
- On Demand Training
- Regional/National SBA Lending Conferences

Massachusetts

Carlos Hernandez, Lender Relations Specialist
carlos.hernandez@sba.gov (617) 565-5565

New Hampshire

Tuesday Perkins, Lender Relations Specialist
Tuesday.perkins@sba.gov 603-225-1404

Rhode Island

Daniel Horowitz, Lender Relations Specialist
daniel.horowitz@sba.gov (401) 528-4576

Questions?