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## SBA Program

CU Business Group is pleased to provide our credit unions with a full service SBA Program. Information about the SBA and how CUBG's SBA Membership can help your credit union become a successful SBA lender is below:

### What does the Small Business Administration (SBA) do?

The SBA's purpose is to help Americans start, build, and grow businesses. They have a two fold approach:

1. Help business owners to develop planning and management skills
2. Enable access to financing through guaranteed loan programs that encourage lenders to provide financing to higher risk businesses

### Why work with the SBA?

1. SBA has developed guaranteed loan programs that work
2. They have three primary loan programs:
  - a. 7(a) to help businesses start and grow
  - b. 504 to help businesses own their own buildings
  - c. SBAExpress (several targeted loan programs)
3. The program allows credit unions to originate SBA loans and maintain deposit relationships

### CUBG enables you to:

- Become an SBA lender without hiring a team of experts
- Provide SBA loans without making a long-term investment in resources
- Grow MBLs under your cap (only un-guaranteed portion of loan counts against cap) with SBA loan guarantees of 50% to 90% of each loan amount
- Develop specialized lending expertise within your staff as your business grows
- Have a positive impact on both members and the local community

### Our SBA Program includes:

- Assistance with SBA Lender Approval
- SBA Loan Policy and SBA Lending Manual
- Staff Training (3 hours)
- SBA Loan Underwriting and Credit Presentation
- SBA Authorization – Loan Documents – Loan Funding Instructions
- Loan Boarding – Loan Servicing – Loan Reporting – SBA Reporting
- Annual Reviews – Delinquent Loan Support, Compliance with SBA Decision Matrix, Liquidations, and Purchase Demand (SBA's purchase of guaranteed % of loan)

### CUBG has subcontracted with Cortland Capital Market Services to provide a full-service SBA program:

- CUBG handles loan origination, SBA eligibility determination, SBA loan underwriting, loan packaging direction, and problem loan consulting
- Cortland handles Loan packaging compliance review, completion of SBA Authorization, Loan documentation, Loan Servicing, SBA reporting, and Purchase Demands.

CUBG's SBA Program pricing enables credit unions to offer very competitive SBA loan pricing under the terms of our SBA Member Agreement, which is an SBA approved Lender Services Provider Agreement.



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**CUBG SBA Member Credit Unions will have access to the following SBA services:**

**Program Setup – includes Application for SBA Lending Authority & Software setup**

- SBA Loan Policy
- SBA Loan Manual
- Marketing Tools/Templates
- Member Application Checklist
- CU Staff Training

**Loan Consulting**

- SBA Programs / Eligibilities
- Work with CU on Initial Loan Opportunities
- Member Communication Guidance
- Ensure Information Package is Complete

**Underwriting / Credit Analysis**

- SBA Compliance
- Packaging
- Financial Analysis
- SBA Credit Presentation

**Packaging / Closing**

- Completion of SBA Forms
- Loan Documentation Using SBA Approved Documents
- SBA Compliance Audit
- Obtain SBA Authorization
- Funding Direction

**Loan Servicing**

- Daily, Monthly, and Other Period Reporting
- Colson Reporting to SBA
- Payment Billing and Direct Payment Processing
- Remittance of SBA Servicing Fees
- Payoff Letters

**Risk Monitoring**

- Tickler Follow-up
- Borrower financials
- Documentation (e.g. UCCs and Insurance)
- Tax and Insurance Monitoring
- Annual SBA Review
- Site Visit Reminders

**Problems / Workouts**

- Initial Collection Calls
- SBA Decision Matrix
- Loan Restructure and Modifications (including deferment)
- Liquidation decision
- Foreclosure/Liquidation Guidance
- SBA Guaranty Purchase Package