

United States Small Business Administration
Financial Resource Update

NM IDEA ANNUAL MEETING

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2011 Lending Activity

- **Total lending \$153,944,000, 328 loans**
 - 7(a) \$84,687,000, 229 loans
 - 504 \$68,583,000, 60 loans
 - Microloans \$674,000, 39 loans
- **Slight reduction from 2010**
 - Total \$157,744,000 418 loans
 - Only 3 months of Recovery Act treatment in 2011
 - Can see impact of increased loan sizes.

Loan Size Increases

- **7(a), increased from \$2 million to \$5 million**
- **504 from \$2 million to \$5 or \$5.5 million for manufacturing**
 - **SBA is 40% so support projects up to \$13 million**
- **Microloan Program**
 - **Permanent from \$35,000 to \$50,000**
 - **Helps larger entrepreneurs with start-up costs and small business owners in underserved communities**

Alternative Size Standards

- **Businesses Qualify if:**
 - **Meet regular NAICS small business standard or**
 - **<\$15 million net assets and**
 - **<\$5 million net earnings last two years**

Export Assistance

- **Export Express**
 - Pilot became permanent
 - 90% guarantee up to \$350k
 - 75% guarantee \$350 – \$500k
 - Can be used as line of credit
- **Export Working Capital**
 - Working capital to support existing export sales
 - Increased from \$2 million to \$5 million
 - 90% guarantee (not changed)
- **International Trade Loans**
 - Help small businesses better position themselves to compete in the global market
 - Increased from \$2 million to \$5 million
 - Permanent 90% guarantee

Export Assistance Technical Assistance from Small Business Jobs Act

STEP Grant

SBA grant to State of New Mexico

\$81,000

For state to provide assistance to small businesses

Currently exporting

Interested in exporting

Gateway to Exporting

SBA grant to New Mexico Small Business Development Centers

\$325,000 over two years

5 centers plus International Business Accelerator

504 Refinance

- **Work in process – major revisions published today in federal register**
- **Assist small businesses challenged by debt on real property**
 - Balloon payments
 - Value of property declined
- **Has been substantially broadened**
 - Balloon no longer required
 - Can provide assistance with business expense debt
 - Can provide working capital
- **Complex and changing area**
 - Contact SBA or CDC
- **Temporary provision – expires 27 Sep 12**

Community Advantage

- **Opportunity for non-bank lenders to become SBA lenders**
- **Interest in applying in New Mexico – stay tuned**

Small Business Investment Corporation

- **SBA's version of venture capital**
- **Not currently available in New Mexico**
 - **New Mexico SBIC is not an SBA SBIC**
- **Interest in applying in New Mexico – Stay tuned**