

Effective 10/1/09, the U.S. Small Business Administration (SBA) made the following significant announcements to stimulate small business lending:

- SBA changed the guidance for financing transactions involving intangible assets:
 - If a transaction includes \$500,000 or less of intangible assets (includes, but not limited to, goodwill, client/customer lists, patents, copyrights, trademarks and agreements not to compete), a lender may process the loan using its delegated authority. This is an increase from \$250,000 requirement last year.
 - If the application includes more than \$500,000 of intangible assets and the borrower and/or seller have contributed a total of at least 25% equity, the loan also may be processed using a Lender's delegated authority.
 - Transactions that do not meet this requirement must be submitted to SBA for review and approval.
- SBA changed the improvement in cash flow requirement on refinanced debt in the 7a loan program to 10% from 20%.

While many SBA lending participants have either substantially reduced or eliminated their SBA loan participation, Business Finance Group (BFG), with its core community bank lending partners, has continued to be a very active participant and is positioned well to assist small businesses to take advantage of the latest positive developments for the SBA 7(a) lending program.

BFG has more than 40 years of combined SBA lending experience. Please call one of our qualified staff to discuss how Business Finance Group can provide small business financing assistance.

BFG successfully assists businesses expand their business horizons.