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Small Business Lending – New Opportunities and Updates

Recent changes to the SBA 504 program allow it to be used to refinance existing fixed asset debt. It also offers the opportunity to “cash out” (for business purposes) the equity in the related real estate and equipment. The SBA CAPLine programs have been revamped to make them more effective and user friendly for both the borrower and the bank. Wisconsin’s Department of Commerce has been reorganized as the Wisconsin Economic Development Corporation (WEDC) and is more than just a name change.

These are just some of the recent changes that have occurred to the credit enhancement programs used by commercial lenders and businesses in Wisconsin. Keeping up with these changes and understanding how best to use them is crucial for the success of any lender. In addition to helping their worthy business customers prevail in these difficult times, these credit enhancement loan programs can help the lender mitigate risk, free up capital and enhance the bank’s position. In 2012, the following key resources and specialized training opportunities are available to lenders.

The **2012 Edition of the Wisconsin Bankers Association Economic Development Manual**, which will be available in February 2012, was developed to provide Wisconsin bankers with an effective tool for accessing current information on the Federal, State and local credit enhancement programs and economic development services available in State. The Manual is designed to assist Wisconsin bankers and economic development professionals in identifying effective financing options. Written from the perspective of the lender, it provides credit and eligibility information, which is specific enough to allow for project structuring. Contact persons and procedures for accessing programs are also included.

The 2012 Edition updates over 500 Federal, State and Local programs. New opportunities under the SBA 504 Refinance and CAPLine programs are addressed along with the new and revamped State programs under Wisconsin Economic Development Corporation. To order the 2012 Edition of the WBA Economic Development Manual, contact Gretchen Olson at 608/441-1252 or at golson@wisbank.com. The cost of the Manual to WBA member banks will be \$80.00 plus shipping and handling.

Wisconsin Business Development Finance Corporation (WBD), the author of the WBA Economic Development Manual, will be holding a series of seminars in February and March of 2012 entitled **New Opportunities for Small Business Lending**. The seminars, which will be held in 14 locations around the State, will provide a thorough update on the regular SBA 504 and 7(a) programs, along with an in-depth presentation on the expanded and improved SBA 504 refinance program, including detailed case studies. Changes to the recently remodeled SBA CAPLine program will be discussed along with a review of how higher loan limits and increased size standards have allowed more businesses to qualify for SBA financing.

The seminars are scheduled for the following dates and locations:

<u>Date</u>	<u>City</u>
Tues, 2/14	Sheboygan
Wed, 2/15	Oshkosh
Tues, 2/21	Brookfield
Wed, 2/22	Milwaukee
Thurs. 2/23	Green Bay
Tues, 2/28	Wausau
Wed, 2/29	Madison
Thur, 3/1	Onalaska
Tues, 3/6	Hudson
Wed, 3/7	Eau Claire
Thurs, 3/8	Rhineland

Tues, 3/13 Rice Lake
Wed., 3/14 Racine
Thurs., 3/15 Janesville

Sessions are scheduled to run from 8:30 a.m. to 11:45 a.m., with registration and continental breakfast from 8:00 a.m. to 8:30 a.m. For specific location addresses or to register, please contact WBD at 608-819-0390 or wbdevents@wbd.org.

The **2012 Lender's Conference**, which is scheduled for May 17th & 18th, 2012 at the Kalahari Resort Convention Center in Wisconsin Dells, WI, will provide Wisconsin lenders another excellent opportunity to gain an in-depth understanding of credit enhancement loan programs and the impact of recent changes. On Thursday, May 17, 2012 the Conference will offer four tracks (Beginning, SBA, General and RMA Advanced) designed to meet the needs of the attending lenders. In addition to the session tracks, there will be keynote speakers and networking opportunities. On Friday, May 20th there will be a choice of golf or an opportunity for advanced training in credit enhanced lending. Please save the dates. Registration materials will be mailed out during the first quarter of 2012 or contact the UW-Steven Point SBDC at 715-346-3861.