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# Small Biz Journal

## **SBA Looks to Boost Loans to Veterans and Military Community**

**By James A. Kocsi**

Memorial Day, Fourth of July and Veterans Day are the times we think about our veterans, as well as those young men and women who are currently serving in our military and fighting for the very thing we enjoy most in our country – freedom.

After they have served their country so proudly, many veterans find themselves looking at entrepreneurship as a career option, when they leave the military. It's not surprising, since many of those in the military come away with the discipline and structure to manage their own small businesses. However, we want our veterans and the military community to know that there are several tools available to them when they do decide to start or expand their small businesses.

Last year, our veteran and military community received a big boost from the U.S. Small Business Administration when the agency unveiled a new pilot loan program – Patriot Express. Patriot Express is a streamlined loan product based on SBA's highly successful SBA Express Program, but with enhanced guarantee and interest rate characteristics. Patriot Express is available to military community members including veterans, service-disabled veterans, active-duty service members participating in the military's Transition Assistance Program, Reservists and National Guard members, current spouses of any of the above, and the widowed spouse of a service member or veteran who died during service, or of a service-connected disability.

The Patriot Express loan is offered by SBA's network of participating lenders nationwide and features SBA's fastest turnaround time for loan approvals. Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 85 percent for loans of \$150,000 or less and up to 75 percent for loans over \$150,000 up to \$500,000. For loans above \$350,000, lenders are required to take all available collateral.

The Patriot Express loan can be used for most business purposes, including start-up, expansion, equipment purchases, working capital, inventory or business-occupied real-estate purchases. The Patriot Express loan also has a popular revolving line of credit feature that veteran entrepreneurs will find useful. The SBA New Jersey District Office can be contacted for a listing of all approved Patriot Express lenders in our state. Additional details on this initiative can be found at [www.sba.gov/patriotexpress](http://www.sba.gov/patriotexpress)

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In addition to Patriot Express, the SBA New Jersey District Office introduced a program in June of 2006 that provides veterans with preferential pricing terms on traditional SBA guaranteed loans. To date, 16 lenders have joined ranks with the SBA to voluntarily provide these incentives to encourage business ownership and expansion.

The current participating lenders in this initiative are: Across Nations Pioneers, Inc. of Englewood; Banco Popular of Montclair; TD Commerce Bank of Cherry Hill; Central Jersey Bank, N.A. of Long Branch, Citizens Bank of Rhode Island; First State Bank of Cranford; Hopewell Valley Community Bank of Pennington; Lakeland Bank of Teaneck; New Jersey Business Finance Corp. of Fort Lee; New Millennium Bank of New Brunswick; RSI Bank of Rahway; Skylands Community Bank of Hackettstown; Sun National Bank of Vineland; The Bank of Woodbury; Unity Bank of Clinton and Valley National Bank of Wayne. These participating lenders are offering benefits from prime rate financing to waiving SBA's guaranty fee on certain loan amounts. Specifics on all incentives can be found at [www.sba.gov/nj](http://www.sba.gov/nj) under the spotlight section.

The combination of Patriot Express and the Veteran Incentive Program give us the necessary tools to serve our military community. It's no secret that more than 14 percent of businesses in America are owned by veterans, and SBA is proud that we guarantee more than \$1 billion annually in loans for veteran-owned businesses. Veteran-owned businesses make significant contributions to the economy and because of the unique technical and leadership skills they acquire through military service, they can become successful entrepreneurs.

With the help of our resource partners, SCORE - Counselors to America's Small Business; New Jersey Small Business Development Centers; and our two Women's Business Centers, the SBA will be able to provide our veterans assistance with: writing a business plan, financing options to start or grow their business, managing the business, expanding the business and selling goods and services to the government. Visiting the following Web sites will help our veterans and military community familiarize themselves with the programs and services that are available to them.

SCORE-	<a href="http://www.score.org">www.score.org</a>
New Jersey Small Business Development Centers-	<a href="http://www.njsbdc.com">www.njsbdc.com</a>
NJAWBO Women's Business Center-	<a href="http://www.njawbo.org">www.njawbo.org</a>
Women's Venture Fund-	<a href="http://www.wvf-ny.org">www.wvf-ny.org</a>

If you would like to learn more about Patriot Express and the Veteran Incentive Program, please contact SBA's Assistant District Director for Lender Relations, William C. Boone, at (973) 645-2179 or via e-mail at [william.boone@sba.gov](mailto:william.boone@sba.gov).