



Talking Points

PRESS OFFICE

Date: June 13, 2007

Contact: Dennis Byrne (202) 205-6567

Christine Mangi (202) 205-6948

Internet Address: <http://www.sba.gov/news>

SBA Patriot Express Pilot Loan Initiative

- SBA today – on the eve of Flag Day – announces the SBA Patriot Express Pilot Loan Initiative, a streamlined loan product based on SBA’s highly successful SBA Express loan program.
- With military activations and extensions having such a profound impact on entrepreneurs in the military community, it is our obligation to make sure they have the tools to rebuild their businesses or to start-up new businesses in order to provide themselves and their families with a livelihood after their service is done.
- There are about 1.2 million men and women on active duty in the armed forces, and 1.8 million in the Reserves and National Guard. Of that total, 1.5 million have been deployed to Afghanistan or Iraq since the war on terror began.
- 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. These businesses make significant contributions to the economy, and because of the unique technical and leadership skills they acquire through military service, they are well-suited to become successful entrepreneurs.
- As we celebrate Flag Day we remember our military community and their staunch patriotism on behalf of our grateful nation. President Bush, in his proclamation for Flag Day, said: “Flying the flag can be an expression of thanks for the men and women who have served and sacrificed in defense of our freedoms – from the early patriots of the Continental Army to the courageous Americans in uniform who are defending those freedoms around the world today.”
- In that spirit, we are here today to honor and support the men and women of our armed services, veterans, and their spouses, with the launch of SBA’s new Patriot Express Pilot Loan Initiative.
- This Pilot Loan Initiative is coupled with and supported by SBA’s full menu of financial, and technical assistance programs directed to the military community.

(More)

- The program is open to:
 - o veterans,
 - o service-disabled veterans,
 - o active-duty service members participating in the military's Transition Assistance Program,
 - o Reservists and National Guard members,
 - o current spouses of any of the above, and
 - o the widowed spouse of a service member or veteran who died during service or of a service-connected disability.

- The new Patriot Express Loan will be 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.

- 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.

- Patriot Express Loans feature SBA's lowest interest rates for business loans, generally 2.25 percent to 4.75 percent over the prime rate depending on the size and maturity of the loan.

- We are especially pleased to say that we've gotten a great response from our lenders. Without them, we couldn't have this Initiative. I think we've created a compelling product for them and that's going to help us all reach a large number of aspiring and current military community entrepreneurs.

- SBA also is bringing to bear the advice and counseling services we offer through this district office and through SBA's resource partners at SCORE, Small Business Development Centers; and Women's Business Centers.

- In this district, we have a veterans business development officer to help guide vets through the program we offer. (If there is a Veterans Business Outreach Center in the district, mention it here).

- Through our office of Government Contracting and Business Development, we can help veteran-owned small businesses compete for and win government contracts.

- We can help provide local and online assistance with: writing a business plan, financing options to start or grow your business, managing the business, expanding the business and selling goods and services to the government.

- For those who are already small business owners and who expect call-up, the SBA and its resource partners can help them prepare their businesses before deployment, and find ways to operate those businesses while they are gone.
- We also can provide loans of up to \$1.5 million under the Military Reserve Economic Injury Disaster Loan program for economic injury that often occurs when an owner or a key employee is called to active duty as a reservist.
- The SBA is proud to be aiding America's heroes. With all that we do, in recognition of all that they've done, it's our privilege to be able to join these brave men and women and their spouses as they reach for their post-military dreams.

#