

Helping small businesses  
start, grow and succeed.



U. S. Small Business Administration

# BANKNOTES

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June 2008

## SBA Patriot Express Pilot Loan Initiative Tops \$150 Million

June marks the one year anniversary of the U.S. Small Business Administration's Patriot Express Loan, a new loan product that is enabling America's military heroes to



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achieve their small business goals. Each day sees the number of loans rise and the number of participating lenders, currently almost 850, rise as well. In 12 months, this unique initiative has produced more than 1,500 loans for a total of more than \$150 million.

This builds on the more

than \$1 billion in loans SBA guarantees annually for veteran-owned businesses, and the counseling assistance and procurement support it provides each year to more than 100,000 veterans, service-disabled veterans, and Reserve members.

The initiative is available to more members of the mili-

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To date, 18 eligible Oklahoma Veterans have been guaranteed Patriot Express loans valued at more than \$2.3 Million.

### OKLAHOMA Patriot Express Lenders (as of June 24, 2008)

1st Bank & Trust	Broken Bow
Arkansas Valley State Bank	Broken Arrow
Arvest Bank	Stillwater
BancFirst	OKC
Bank of America, N.A.	OKC
Bank of Kremlin	Kremlin
Bank of Oklahoma, N.A.	Tulsa
Chickasha Bank & Trust Company	Chickasha
Citizens Security Bank & Trust Company	Bixby
Commerce Bank, N.A.	Tulsa
First Bank of Owasso	Owasso
Great Plains National Bank	Elk City
Intrust Bank, N.A.	OKC
JP Morgan Chase Bank, N.A.	OKC
MidFirst Bank	OKC
RCB Bank	Claremore
The Bank, N.A.	McAlester
The First National Bank & Trust Company	Broken Arrow
Tulsa National Bank	Tulsa
UMB Bank, N.A.	Tulsa
WEOKIE Credit Union	OKC

## Resources for Veterans

The average Patriot Express loans nationwide range from \$5,000 to \$375,000 in individual loan amounts. The average loan is almost \$103,000. Nearly 15 percent of those loans have gone to military spouses. After loan applications are approved by the bank, they are submitted to SBA. Most applications are approved by SBA within 24 hours.

SBA has **veterans' business development officers** in district offices in every state and territory able to provide military community members full access to the SBA's range of programs and services. There are also five Veterans Business Outreach Centers located in: Albany, N.Y.; Pittsburgh, PA; Lynn Haven, Fla.; Edinburg, Texas; and Sacramento, CA.

In addition to district offices, SBA's resource partners SCORE, Counselors to America's Small Business, Small Business Development Centers, and Women's Business Centers provide local and online assistance with: writing a business plan,



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**Veterans Outreach  
Coordinator**  
405-609-8023  
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Call to schedule a workshop.

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BankNotes is published by the U.S. Small Business Administration's Oklahoma District Office, located at 301 N.W. 6th St. Suite 116, Oklahoma City, OK 73102, to provide relevant and timely information to Oklahoma lenders. For questions or more information, call 405-609-8012 or email darla.booker@sba.gov. All of the SBA's programs and services are provided to the public on a nondiscriminatory basis.

## Now is a good time to get an SBA Loan

### 2008 Economic Stimulus Package may help reduce tax bills

The 2008 Economic Stimulus Package may help small business owners reduce tax bills in two important ways.

**First**, for the 2008 tax year, entrepreneurs may be able to expense up to \$250,000 for property. This almost doubles the previous limit of \$128,000, but is only available for the 2008 tax year!

Property that often qualifies includes: machinery, refrigerators, grocery store counters, office equipment, printing presses, computers, off-the-shelf computer software, signs, gasoline storage tanks and pumps at retail service stations, a single purpose agricultural or horticultural structure, and most passenger automobiles and other property used for transportation are also eligible for 179 deductions. Also, the section 179 deduction for the cost of any sport utility vehicle with a gross vehicle weight of over 6,000 pounds and not more than 14,000 pounds is limited to \$25,000.

#### **Second, small business owners can write it off faster with two deductions.**

**First Deduction:** For property acquired, placed and kept in service in calendar year 2008, you may be able to write-off 50% of what you paid for it (a special depreciation allowance).

**Second Deduction:** In addition to the 50% write-off, you can take a write-off of the normal first year depreciation on the remaining 50% of what you paid for the property.

Examples of eligible property include: off-the-shelf computer software, qualified leasehold improvement property, and tangible property with a recovery period of 20 years or less (which includes cell phones, tractor units for over-the-road use, computers, computer peripheral equipment, office furniture and farm buildings).

For more information visit <http://www.sba.gov/stimulus/>.

## OKLAHOMA LENDER PROFILE:

### MIKE MOYER, RED CROWN FCU



**Q:** How long have you been participating in SBA Lending?

**A:** Red Crown has been participating in SBA lending for 4 years.

**Q:** What loan programs do you use?

**A:** We currently use the 7(a), 504, and Express. We are currently working on offering the Patriot program and hope to utilize it in the near future.

**Q:** Why is the SBA guaranty attractive to your bank?

**A:** SBA is an attractive option for our credit union due to the growing amount of professional members that are looking to change careers. We have a large membership base that either has taken early retirement or has started their own business. SBA allows us to offer LOC's and other options to help these members in their professional transition.

**Q:** Can you give an example of a business that you did an SBA loan for and what risk was mitigated with the SBA guaranty?

**A:** We were able to help fund the start-up on a Pass Your Plate fran-

chise. Due to this being a start up business in the

food industry, we were hesitant on the risk but was able to fund it through a 75% guarantee.

**Q:** Can you give an example of a business you have done an SBA loan for that impacted your community?

**A:** We were able to help a business called Waterstone Dry Cleaners. They started out with 3 employees and a loan amount of a little over \$600k. This was strictly a home delivery business in the beginning but they are now expanding to open their 3rd location while growing their home delivery routes. This business has now been able to expand to 15 employees in less than 3 years.

**Q:** How are the SBA Programs beneficial to your bank?

**A:** SBA has been helpful with not only advice given but with the ability to keep us under the cap for MBL lending that is mandated by NCUA.

**MALC08** Mid America's Lenders Conference Region VI

August 11-13 San Antonio, Texas—<http://malc-conference.com/>

The Conference will be held at the Grand Hyatt San Antonio.

The conference rate of \$189/night is a significant savings over their standard \$419/night rate.

A Golf Event will be held on Aug. 11 hosted by the Central Texas Association of Government Guaranteed Lenders. For details call Mary Peters at 210-458-2450 or email at [mary.peters@utsa.edu](mailto:mary.peters@utsa.edu).

## Patriot Express Loans in Oklahoma as of June 20, 2008

Approval Date	Borrower	City	Loan Amount	Lender
3/5/2008	CONCRETE EFFECTS SOUTHWEST LLC	LAWTON	\$80,000.00	BANCFIRST
11/27/2007	CPAP SPECIALISTS LLC	TULSA	\$25,000.00	BANCFIRST
5/8/2008	FREEDOM TELECOM ENTERPRISES LL	OKLAHOMA CITY	\$100,000.00	JPMORGAN CHASE BANK
12/7/2007	INNOVATIVE GLASS LLC	OKLAHOMA CITY	\$44,000.00	BANCFIRST
10/24/2007	JARVIS FURNITURE	ANADARKO	\$50,000.00	BANCFIRST
10/11/2007	LILLIES SWEET SHOP	PERRY	\$20,800.00	BANCFIRST
9/18/2007	PROPERTY DEVELOPMENT INC	BROKEN ARROW	\$220,500.00	ARKANSAS VALLEY STATE BANK
5/9/2008	QUALITY SLEEP SPECIALISTS LLC	EDMOND	\$25,000.00	BANCFIRST
3/3/2008	QUIZNO'S	EDMOND	\$195,000.00	BANCFIRST
2/19/2008	QUIZNO'S	ARDMORE	\$155,000.00	BANCFIRST
7/23/2007	QUIZNO'S	OKLAHOMA CITY	\$130,000.00	BANCFIRST
5/19/2008	Smith Plumbing, LLC	YUKON	\$25,000.00	JPMORGAN CHASE BANK
9/14/2007	SOLAR POWER & PUMP COMPANY LLC	ELK CITY	\$350,000.00	GREAT PLAINS NATIONAL BANK
11/14/2007	SPITFIRE COMBUSTION LLC	SAND SPRINGS	\$150,000.00	BANCFIRST
5/21/2008	TAIWA Technology Services, LLC	Tahlequah	\$50,000.00	BORREGO SPRINGS BANK, N.A.
6/3/2008	TASHI DELEY SALON LLC	BROKEN ARROW	\$40,700.00	MIDFIRST BANK
4/28/2008	TNL'S CUSTOM TILE & MARBLE INC	OKLAHOMA CITY	\$488,800.00	MIDFIRST BANK
7/20/2007	WINGS TO GO	NORMAN	\$176,400.00	BANCFIRST

### *Patriot Express, continued from Page 1*

tary community than our other related programs: veterans, active duty personnel who are in the military's Transition Assistance Program, and all Reservists and National Guard members are eligible. In addition, the spouse of any of the above communities and of active duty members, or the widowed spouse of a service member who died while in the service, or of a service-connected disability, is also eligible.

Patriot Express loans can go up to \$500,000 – well above the SBA Express maximum of \$350,000. Because it is an Express loan product, lenders and borrowers benefit from expedited and streamlined processing. In addition, many of our larg-

est lenders participate exclusively or primarily through our Express programs. By making Patriot Express a companion to SBA Express, we dramatically expand the points of access for veterans and thus our ability to support them.

Unlike SBA Express, the loans will carry the full 75-85 percent guaranty. That compares with only a 50 percent guaranty for SBA Express. Another advantage of Patriot Express is that it has the same maximum interest rates of SBA's regular 7(a) loans, which are lower than SBA Express.

For example, a \$100,000 loan for 6 years at the maximum SBA Express interest rate of 4.5 percent over prime would total approximately \$143,580 in

payments. The same loan for the same term under Patriot Express would be limited to 2.25 percent over prime or approximately \$135,200 in payments. That would be a savings of almost \$8,400 over six years to the borrower.

SBA is proud to be able to serve those who have given so much in the service of our country. Together with our partners – the lenders, vets' associations and our own resource partners – we look forward to continuing to help America's heroes.

**Jovita Carranza**  
Acting Administrator  
U.S. Small Business  
Administration

### *Resources, continued from Page 1*

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 assist with preparing their businesses before deployment, and obtaining loans for economic injury – Military Reserve Economic Injury Disaster Loans (MREIDL) – Loans of up to \$1.5 million are available for small businesses sustaining economic injury because an owner or essential employee has been called to active duty.

For more information, go to [www.sba.gov/vets](http://www.sba.gov/vets).

## OKLAHOMA TOP 10 SBA LENDERS & CDCs THROUGH MAY - FY 08

### Top volume lenders by number of loans

1	BancFirst	75 loans	\$20,355,000
2	JP Morgan Chase Bank, N.A.	51 loans	\$2,290,100
3	Innovative Bank	36 loans	\$795,000
4	Arvest Bank	22 loans	\$3,923,900
5	ONB Bank & Trust Company	19 loans	\$6,045,300
6	Borrego Springs Bank, N.A.	14 loans	\$480,000
7	Business Loan Center, LLC	13 loans	\$495,000
8	Arkansas Valley State Bank	12 loans	\$1,394,900
9	MidFirst Bank	11 loans	\$1,808,800
10	Bank of America, N.A.	10 loans	\$163,500

### Top volume CDCs by number of loans

1	REI, Inc.	19 loans	\$9,712,000
2	Tulsa Economic Develop. Corp.	17 loans	\$8,644,000
3	Small Business Capital Corp.	16 loans	\$8,146,000
4	Metro Area Develop. Corp.	8 loans	\$6,921,000

### Top volume lenders by dollar value of loans

1	BancFirst	75 loans	\$20,355,000
2	ONB Bank & Trust Company	19 loans	\$6,045,300
3	CIT Small Business Lending Corp.	6 loans	\$5,031,800
4	Arvest Bank	22 loans	\$3,923,900
5	First American Bank, Purcell	5 loans	\$3,715,750
6	Citizens Bank of Oklahoma	2 loans	\$2,645,000
7	Security Bank	4 loans	\$2,514,460
8	JP Morgan Chase Bank, N.A.	51 loans	\$2,290,100
9	Regent Bank & Trust Company	3 loans	\$2,082,000
10	Beach Business Bank	1 loan	\$1,930,000

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1	REI, Inc.	19 loans	\$9,712,000
2	Tulsa Economic Develop. Corp.	17 loans	\$8,644,000
3	Small Business Capital Corp.	16 loans	\$8,146,000
4	Metro Area Development Corp.	8 loans	\$6,921,000

## Top 10 Oklahoma SBA Loans in April

5/8/2008  
WALKER BROTHERS DRILLING  
KONAWA  
\$1,500,000.00  
REGENT BANK & TRUST COMPANY

5/2/2008  
BINGHAM MANAGEMENT, INC.  
TULSA  
\$1,300,000.00  
CITIZENS BANK OF OKLAHOMA

5/14/2008  
HORTON TOOL CORP.  
HOMINY  
\$1,200,000.00  
FIRST NATIONAL BANK IN HOMINY

5/1/2008  
CHISHOLM TRAIL LANES  
DUNCAN  
\$633,200.00  
CAPITAL PACIFIC BANK

5/30/2008  
XPRESS STOP  
CHOCTAW  
\$539,000.00  
METRO AREA DEVELO. CORP.

5/5/2008  
STEAK N SHAKE  
NORMAN  
\$514,000.00  
METRO AREA DEVELOP. CORP.

5/7/2008  
ZENTECH LLC  
TULSA  
\$418,000.00  
SMALL BUSINESS CAPITAL CORP.

5/7/2008  
MET-KOH AUTO PARTS  
PAWHUSKA  
\$370,158.00  
FIRST NATIONAL BANK  
IN PAWHUSKA

5/16/2008  
METAL BUILDING INDUSTRIES  
TULSA  
\$350,000.00  
BANK OF OKLAHOMA

5/29/2008  
BRANT P ROUSE DDS PLC  
TAHLEQUAH  
\$350,000.00  
MIDFIRST BANK