



PRESS OFFICE

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SBA's Patriot Express Loan Initiative Delivers \$315 Million to 3,750 Vets, Military Community

WASHINGTON – In just two year's time, the U.S. Small Business Administration's Patriot Express Pilot Loan Initiative has supported more than \$315 million in loans to more than 3,750 veterans and their spouses who are using the SBA-guaranteed funds to establish and expand their small businesses. As a result of the American Recovery and Reinvestment Act, which raised loan guarantees to 90 percent, and eliminated fees temporarily, the number of Patriot Express loans increased to record levels in April and May of 2009.

Patriot Express, launched June 28, 2007, 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 200,000 veterans, service-disabled veterans and Reserve members.

“This commitment to more than 25 million veterans across the country, and the thousands returning from the wars in Iraq and Afghanistan is something we at SBA take seriously,” SBA Administrator Karen G. Mills said. “The Patriot Express initiative, in conjunction with other SBA programs, goes directly to the needs of our veterans who want to start, or already have their own businesses. This critical access to capital helps them grow their businesses and create good paying jobs in their communities.”

Patriot Express is a streamlined loan product based on the agency's highly successful SBA Express Program, but with an enhanced guaranty and interest rate. The Patriot Express loan is offered by SBA's network of participating lenders nationwide and features one of SBA's fastest turnaround times for loan approvals. Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 90 percent.

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. Local SBA district offices will have a listing of Patriot Express lenders in their areas. Details on the initiative can be found at www.sba.gov/patriotexpress.

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Interest rate maximums for Patriot Express loans are the same as those for regular 7(a) loans: a maximum of Prime + 2.25 percent for maturities under seven years; Prime + 2.75 percent for seven years or more. Interest rates can be higher by two percent for loans of \$25,000 or less; and one percent for loans between \$25,000 and \$50,000.

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.

Patriot Express loans have been approved in all 50 states, the District of Columbia, the U.S. Virgin Islands, Puerto Rico and Guam and generally range from \$5,000 to \$375,000 in individual loan amounts. The average loan amount is almost \$85,000. Nearly 15 percent of those loans have gone to military spouses. After loan applications are approved by the bank, they are submitted to SBA for approval. 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 eight Veterans Business Outreach Centers located in: Albany, N.Y.; Pittsburgh, Pa.; Lynn Haven, Fla.; Edinburg, Texas; Sacramento, Calif.; St. Louis, Mo.; Boston, Mass.; and Flint, Mich.

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, 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 have expertise to assist with preparing their businesses before deployment, managing their businesses, selling goods and services to the government, obtaining other SBA financing and financial assistance, and obtaining loans for economic injury – Military Reserve Economic Injury Disaster Loans (MREIDL) – Loans of up to \$2 million are available for small businesses sustaining economic injury because an owner or essential employee has been called to active duty as a military reservist.

The SBA and its Office of Veterans Business Development (OVBD) provides comprehensive assistance, outreach and support to veterans. Each year the SBA assists more than 200,000 veterans, service-disabled veterans and reservists. Go to www.sba.gov/vets.

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Editor please note: A Web-based press kit on the Patriot Express Initiative can be found at . . . http://www.sba.gov/patriotexpress/SBA_PATRIOT_PRESS_KIT.html.