



SBA Information Notice

TO: All SBA Employees

CONTROL NO.: 5000-1036

SUBJECT: SBA approval process for loan increases and decreases

EFFECTIVE: 11/2/2007

For PLP, SBAExpress, Export Express and CommunityExpress loans, the attached SOP 50 10 and 50 50 pages change the existing policy that requires two SBA financial analysts to process a lender's request to increase or decrease a loan. The change will permit one SBA financial analyst to complete the processing of a request from a PLP, SBAExpress, or CommunityExpress lender to increase a PLP, SBAExpress, Export Express or CommunityExpress loan (before and after disbursement) or to decrease a PLP, SBAExpress, Export Express or CommunityExpress loan before initial disbursement. The actions covered are as follows:

- For PLP loans, an increase to the loan amount initially approved up to a maximum of 20 percent. The request from the lender must be made within 18 months after the initial disbursement.
- For SBAExpress, Export Express or CommunityExpress loans, an increase to the loan amount initially approved up to the program maximum that was in effect at the time the SBAExpress, Export Express or CommunityExpress loan was approved. There is no time limit, except that revolving lines of credit under SBAExpress, Export Express or CommunityExpress are limited to 7 years, so any increase would have to be within 7 years of approval.
- For PLP, SBAExpress, Export Express or CommunityExpress loans, a decrease to the approved loan amount prior to closing and initial disbursement.

In addition, the changes provide clarification regarding increases and decreases and the resulting guaranty fees owed.

Questions concerning this notice should be directed to Gail Hepler, Office of Financial Assistance at (202) 205-7530 or by email at gail.hepler@sba.gov.

Grady Hedgespeth
Director, Office of Financial Assistance

EXPIRES: 11/1/2008

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SBA Form 1353.3 (4-93) MS Word Edition; previous editions obsolete
Must be accompanied by SBA Form 58