

SLA 2.0

Changes to Small Loan Advantage Program - Overview

Changes include:

- ❑ An increase in the maximum loan amount to \$350,000
- ❑ Criteria and mechanism for credit scoring pre-screening of applicants
- ❑ Credit criteria and analysis requirements clarified
- ❑ Confirmation of the collateral requirements for SLA loans

Small Loan Advantage

- ❑ Expansion to all SBA participating lenders—previously limited to PLP lenders
- ❑ All SLA loan applications will be credit-scored by SBA prior to loan approval (or issuance of a loan number for applications submitted by PLP lenders). The current minimum acceptable score is 140, which is subject to change

Small Loan Advantage (Continued)

- ❑ Change in forms from the S/RLA forms (SBA Forms 2301 Parts A, B and C) and the PLP Eligibility Checklist (SBA Form 7) to the forms used in the SBA Express and Pilot Loan Programs (SBA Forms 1919 and 1920 Parts B and C)
- ❑ All SLA loan applications will continue to be submitted electronically

Small Loan Advantage (Continued)

- ❑ Lenders will continue to have the option of using their own notes and guaranty forms, rather than SBA Forms 147, 148 and 148L
- ❑ In closing and disbursing SLA loans, lenders will follow the same closing and disbursement procedures and documentation as it uses for its similarly-sized non-SBA guaranteed commercial loans

Small Loan Advantage (Continued)

- ❑ An increase in the maximum loan size from \$250,000 to \$350,000
- ❑ Lenders may make more than one SLA loan to a borrower (and its affiliates)

Questions



Thank you!

Ethan W. Smith, Esq.
esmith@starfieldsmith.com

STARFIELD
SMITH, PC

ATTORNEYS AT LAW



www.starfieldsmith.com