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## **SBA'S EXPRESS BRIDGE LOAN PILOT PROGRAM**

Effective immediately, lenders with SBA Express lending authority can utilize SBA's Express Bridge Loan (EBL) Pilot Program to provide expedited SBA-guaranteed financing for up to \$25,000 on an emergency basis for disaster related purposes to eligible small business located in counties that have been Presidentially-declared as disaster areas while the small businesses apply for and await long-term financing (including through SBA's direct Disaster Loan Program, if eligible). This Program is only eligible to small businesses that had an existing relationship with the SBA Express Lender as of the date of the applicable disaster.

The newly updated SBA Express Bridge Loan Pilot Program Guide can be found at <https://www.sba.gov/sites/default/files/2020-03/Express-Bridge-Loan-Pilot-Program-Guide-FINAL-3.25.20.pdf>

In addition, the U.S. Small Business Administration (SBA) gives Lenders unilateral authority to modify or restructure existing 7a standard loans through the E-Lend Servicing platform in our Capital Access Financial System (CAFS).

The following are some of the servicing actions you have unilateral authority to perform without prior approval from the SBA:

- Deferment of payments – Generally, the amount deferred should not exceed six cumulative monthly payments or 20 percent of the original loan amount, whichever is less. However, you do have authority to defer as many payments as you deem necessary during the life of the note;
- Extend amortization out to maximum allowed by SBA if loan is currently structured on a shorter term (i.e., 25 years for real estate, construction; 10 years for everything else);
- Amend payments for a period of time – (i.e. interest only);
- Modify the interest rate; and/or
- Extend the maturity date up to 10 years beyond the original maturity date.

More information regarding the Servicing and Liquidation Actions 7a Loan Matrix may be found at <https://www.sba.gov/document/support--servicing-liquidation-actions-7a-lender-matrix>

**The foregoing Compliance Update is for informational purposes only and does not constitute legal advice. As a reminder, the NBA general counsel is the attorney for the Nebraska Bankers Association, not its member banks. The general counsel is available to assist members with finding resources to help answer their questions. However, for specific legal advice about specific situations, members must consult and retain their own attorney.**