

U. S. Small Business
Administration

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DOLLARS & SENSE

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SHOWING SIGNS OF A TURNAROUND NEW FIGURES ARE ENCOURAGING



Despite the continued notion by some that the measures of the “Recovery Act” have done little to jumpstart the economy, the SBA has proactively been initiating programs that have yielded favorable results. With wide-scale changes being implemented within the agency’s Capital Access programs, the SBA has seen a flurry of transactions that suggest the capital markets are beginning to thaw.

Noteworthy Indicators of a Pending Turn of the Corner

- **Significant and increased loan activity:** As of April 23, SBA approved nearly \$1.9 billion in Recovery loans, and supported over \$2.5 billion in lending to small businesses*. In the first eight weeks following ARRA’s passage, weekly loan dollar volumes have risen 25% in both the 7(a) and 504 programs, compared to the eight weeks preceding ARRA’s passage.
- **Increased secondary market participation:** In March 2009, the total loan volume settled in the 7(a) secondary market (\$184 million) was the highest monthly total since September 2008.
- **Lenders joining or returning to programs:** From Feb. 17 to Apr. 24, 301 lenders that had not previously made a loan since Oct. 2008 made 7(a) loans. Of those lenders, 124 had not made a loan since at least 2007.
- **Broad-based support to small businesses:** A significant share of loans supported by Recovery Act funding has gone to rural (24%), minority-owned (22%), women-owned (19%), and veteran-owned (9%) businesses.

Boise, Idaho



Helping small businesses
start, grow and succeed.



Your Small Business Resource

SBA LAUNCHES NEW 100-PERCENT GUARANTEE ARC LOAN PROGRAM TO HELP STRUGGLING BUSINESSES

WASHINGTON – Small businesses suffering financial hardship as a result of the slow economy may be eligible to receive temporary relief to keep their doors open and get their cash flow back on track through to a new loan program announced today by SBA Administrator Karen G. Mills.

Beginning on June 15, SBA will start guaranteeing America’s Recovery Capital (ARC) loans. ARC loans are deferred-payment loans of up to \$35,000 available to established, viable, for-profit small businesses that need short-term help to make their principal and interest payments on existing qualifying debt. ARC loans are interest-free to the borrower, 100 percent guaranteed by the SBA, and have no SBA fees associated with them.

“These ARC loans can provide the critical capital and support many small businesses need to make it through these tough economic times,” said Administrator Mills. “Together with other provisions of the Recovery Act, ARC loans will free up capital and put more money in the hands of small business owners when they need it the most. This will help viable small businesses continue to grow and thrive and create new jobs in communities across the country.”

As part of the Recovery Act, the ARC program was created as a no-interest, deferred payment loan to help small businesses that have a history of good performance, but as a result of the tough economy, are struggling to make debt payments.

ARC loans will be disbursed within a period of up to 6 months and will provide funds to be used for payments of principal and interest for existing, qualifying small business debt including mortgages, term and revolving lines of credit, capital leases, credit card obligations and notes payable to vendors, suppliers and utilities. Repayment will not begin until 12 months after the final disbursement. Borrowers don’t have to pay interest on ARC loans. After the 12-month deferral period, borrowers will pay back the loan principal over a period of five years.

ARC loans will be made by commercial lenders, not SBA directly. For more information on ARC loans, visit www.sba.gov

Region X Lender Training Opportunity Alaska, Idaho, Oregon, Washington

Upcoming Training

Dates:

Jun 10th	Update on Goodwill Lending
Jun 17th	SBA E-Tran (Servicing)
Jul 8th	The Express Purchase Process
Jul 15th	SBA E-Tran (Origination)
Aug 12th	SBA E-Tran (Servicing)
Sep 9th	Business Valuation



Time: 10:30-11:30 AM - Mountain Time

Phone login: Dial toll free 1-866-740-1260. Enter the access code: 3108401, followed by the # key, to join the call.

Internet login: Go to www.readytalk.com. Enter the access code: 3108401 under “participant login” and click on “join.”

The Training Schedule and archived prior trainings can be accessed via:
<http://www.sba.gov/localresources/regionaloffices/region10/index.html>

MARA McMILLEN SBA BOISE DISTRICT OFFICE



Mara McMullen began McMullen Engineering and Construction in 2004 with the goal of creating a small, highly technical engineering and consulting business in Boise, Idaho to serve clients throughout the Pacific Northwest Region. Since their inception, McMullen Engineering and Construction has strived to build design capabilities in multiple sectors utilizing in-house personnel. Although their roots are in hydraulics, hydropower and fisheries engineering, McMullen Engineering and Construction has expanded their customer base to include transportation, agriculture, and the water/wastewater markets.

McMillen Engineering and Construction originally started with three employees and two clients operating out of a 400 square foot office space. Through strategic hiring, focused marketing, and persistence, McMullen has expanded to twenty nine employees, fifty clients and three office locations. In 2007, Mara McMullen opened a construction division to offer design/build services to their clients. To date, McMullen has completed construction projects in Washington, Oregon, Idaho and Wyoming.

Throughout the company's development, McMullen Engineering and Construction has been challenged with competing against very large and established firms. McMullen has had to work extremely hard to gain client attention and then produce exceptional products to win a spot as a preferred consultant. With their limited resources, they have been very successful in winning challenging and complex projects while competing against larger firms with deeper contract bidding resources.

Success is demonstrated by the company's revenue gains of over tenfold in 2008. Through sound financial management, lead by Managing Member Mara McMullen, the company has been able to execute their expansion through cash flow while incurring very little debt. She has continually reinvested the profits into the company's growth and focused marketing on new strategic fields.

McMillen Engineering and Construction is a very community-oriented firm. Their philanthropic efforts recently had them working with a local baseball league to construct new baseball fields by donating the planning and engineering as well as managing the construction efforts. Mara McMullen is passionate about education institutions evident by her contributions to local schools, the sponsoring of high school and college interns, & as an active volunteer at local elementary schools. Mara McMullen also contributes financially to the Boise Art Fair and Taft Elementary School.

"SBA is proud to name Mara McMullen, owner of SBA 8(a) certified McMullen Engineering and Construction, the recipient of the 2009 Idaho Small Business Person of the Year," said Norman Proctor, Boise SBA District Director. "Mara's business is a good example of how vision, hard work, integrity, and strategic planning can lead to success. SBA is pleased to assist McMullen Engineering and Construction with business development counseling through our 8(a) program."

When asked about the award, Mara McMullen stated, "Receiving this award is very special to all the fine employees who make up our outstanding team for this company. It is through their hard work and effort that McMullen Engineering and Construction has not only grown, but has become a truly respected company within the industry." ■

IDAHO PRIME LOAN PROGRAM

NORM PROCTOR, DISTRICT DIRECTOR MEETS WITH RON CRANE, IDAHO STATE TREASURER



SBA Boise District Office Director Norm Proctor met with Idaho State Treasurer Ron Crane to discuss the Idaho Prime Loan Program and to participate in a photo-op for the soon to be released 2009 Idaho Prime Brochures. This program administered by the State Treasurer's Office provides SBA Lenders a viable alternative to the selling of SBA loans via the secondary markets. Under the program, the State purchases the guaranteed portion of a standard 7(a), PLP, or Patriot Express Loan up to \$750,000. With generous payment terms, the program creates liquidity for banks while providing affordable terms for small business borrowers. For more information, please visit the Idaho Prime website listed below or call your local SBA District Office.

<http://sto.idaho.gov/Programs/IdahoPrime.aspx>

LOAN STATISTICS ENDING MAY FY 2009

Zion's Bank	81	\$6,623,900
US Bank	27	\$852,100
Mountain West Bank	25	\$1,710,800
Wells Fargo Bank	20	\$4,314,300
DL Evans Bank	18	\$2,548,00
Key Bank	13	\$1,980,100
Bank of Idaho	12	\$1,410,600
Bank of Cascades	8	\$2,418,000
Syringa Bank	7	\$1,450,700
Intermountain Community & Magic Valley Banks	6	\$854,000
Capital Matrix	21	\$7,797,000
The Development Company	9	\$3,223,000
Region IV Development	8	\$2,305,000
Eastern Idaho Development	5	\$1,837,000

FROM THE DISTRICT DIRECTOR



Since the enactment of the American Recovery and Reinvestment Act , the SBA has seen unprecedented changes to the many programs it offers to the small business community. Considering the scope of the economic landscape, it seems as only logical to up the offerings as we forge ahead in ensuring our small business interests can remain viable. While it is easy to resign ourselves to the fact that economics are not always fair, we no less continue to bear a responsibility to make every diligent effort to create a landscape that is both accessible and realistic to every small business person. To accomplish this, our office has increased it's out-reach using innovative and effective measures that serve as an information post to both the public and the banking sectors. As we move forward, our office will remain open to new ideas and initiatives that provide our resource partners, the lending community, and the public the best opportunities to succeed.

FREE CLASSES AVAILIABLE TO THE PUBLIC

Boise Business Basics
 380 E Parkcenter Blvd
 Suite 330
 July 7th
 4:30pm to 6:30pm

ABC's of SBA Business Loans
Boise
 June 17th
 July 1st & 15th
 11:45am to 12:45 pm
Nampa
 July 28th
 4:30pm to 5:30pm

Nampa Business Basics
 Hispanic Cultural Center
 315 Stampede Drive
 4:40-6:30pm
 Nampa, Idaho
 June 23rd
 August 25th