

**Ask SCORE...**

Counselors to Naples Area Small Businesses

**SCORE Naples**  
www.scorenaples.org



# *Ask SCORE*

By: Gray Poehler, Business Counselor

## *SBA EXPANDS PROGRAMS TO ASSIST VETERANS*

**QUESTION:** *I heard that the Small Business Administration recently approved expanded benefits for veterans. Can you explain the details of the program and who is eligible?*

*Anthony P., Bonita Springs*

**ANSWER:** *Anthony, the Small Business Administration recently announced a new initiative that greatly expands its small business loan program for the 1.2 million men and women on active duty in the armed forces. It also includes the 1.8 million in the Reserves or National Guard, as well as spouses and widowed spouses of service members who died during service or as a result of a service related disability.*

*The Patriot Express Pilot Loan Initiative is an enhanced version of existing programs, but specifically tailored to veterans and members of the military community wanting to establish or expand a small business.*

*According to the SBA, the program offers the lowest interest rates of any of its programs, ranging from 2.25% to 4.7% over the prime lending rate (currently 8.25%), depending on the size and maturity of the loan. This is approximately two to three percent below standard SBA loans and nearly the same as their regular 7(a) loan packages. Proceeds from the loans can be used for almost any small business need, including startup, expansion, equipment purchases, working capital, inventory or business-occupied real estate loans.*

*Loans are offered through the network of participating SBA lenders nationwide. The guarantees to the lenders have been increased up to 85% for loans less than \$150,000 and up to 75% for larger loans, to a maximum \$500,000.*

*Contrary to popular opinion, SBA has gone the extra mile to simplify the application process. The Community Express Loan Guarantee applications are extremely simple-just a few pages-and take very little time to prepare. The SBA has help available with the preparation of the loan packages and offers business advice through SBA district*

*offices or its national network of resource partners, including the Naples Chapter of SCORE.*

*If small business owners face economic injury by being called to active duty (or even a key employee is called), the SBA has an additional program that can provide loans up to \$1,500,000. The Military Reserve Economic Injury Disaster Loan Program applies to military conflicts occurring or ending on or after March 24, 1999. It is designed to provide funds to eligible small businesses to meet the needs required to survive while the owner or key employee is serving. While the program doesn't cover lost income or profits, it will provide the capital necessary to cover its day to day operational needs and get back on track when the service person returns.*

*Complete information on these programs is available at the SBA web site, [www.sba.gov](http://www.sba.gov) or the SBA district offices. Assistance is also provided by the Naples Chapter of SCORE, counselors to America's small businesses. Counseling is always FREE of charge. Just call 239-430-0081 or visit [www.scorenaples.org](http://www.scorenaples.org) and click on "request counseling NOW as a first time client." The SCORE business office is located at 900 Goodlette Road North, in the Fifth Third branch bank building. Office hours are 9:00 am to Noon, Mondays through Fridays.*

*If you would like the answer to your question considered for publication in this biweekly column, please fill out the form located at [www.scorenaples.org/askscore](http://www.scorenaples.org/askscore). A SCORE counselor will contact you within 48 hours. Please include your name, email address and a contact phone number.*