

- 1. What is your role with PNC and how can that position assist minority/ women owned businesses and diverse supplier owned business gain access to the bank's financial products and services?**

My role with PNC Bank is a Small Business Advisor. I bring my expertise of how to navigate the SBA application process from beginning to end. I understand the bank's policies and the SBA's standard of operating procedures, and I am able to merge them together to help the client have a great lending experience with PNC Bank.

- 2. Tell us about your choice to pursue commercial banking as a career?**

I started out as a personal banker with Chase Bank when I was in college. I had a great interest in business banking and while I was working with Chase Bank, I was chosen to undergo a rigorous commercial credit training program to become a business banker. I have been in business banking since 2010.

- 3. What steps prepared you to become PNC's Small Business Administration (SBA) Development Officer?**

I went through a rigorous training program with Chase Bank and Sun Trust Bank. Those credit skills allowed me to spread my wings to SBA lending with PNC Bank. In my previous roles I worked with many industries that had different lending needs. With my expertise in lending and specific industry related knowledge, I am able to leverage those skills as a SBA lender.

- 4. How can SBA financing work to assist the aforementioned special business groups in ways that Conventional Bank Financing cannot?**

The SBA program allows banks to take additional risk that they otherwise wouldn't take with the aforementioned groups. The SBA program allows for start-ups and businesses that have limited capital or collateral to obtain financing on reasonable terms.

- 5. What's the difference between the two, SBA and Conventional Bank Financing?**

The SBA program is a government funded program, whereas conventional financing is funded by the bank. Depending on the loan need the SBA term may be more advantageous to the client. For example on commercial real estate purchases, the SBA offers a 10% down payment vs conventional financing is 20%. The SBA also offers longer terms on certain uses such as equipment and real estate.

- 6. Possessing a low personal/individual credit score has been mentioned as a deterrence banks use in not extending credit. Can SBA Financing naturalize that obstacle? And does one have to personally guaranty their businesses new debt? If so, why?**

Yes the SBA requires a personal guaranty for owners that own 20% or more in the business. Regarding the lower credit score, the SBA program allows for banks to look at lower scores, however the SBA would like to see that the borrower has reestablished their credit in the past 24 months.

7. How does offering collateral, say a lien on one's home, assist in getting SBA Financing? Or, is one's home needed if our federal government is backing the loan with a Full Faith Guaranty of the US Treasury?

The SBA requires collateral on all of their loans, however for loans below \$350,000 the SBA allows the bank to use their prudent lending standards. Depending on the program used, the SBA sets the amount of the guaranty. For example on a SBA express loan (\$350,000 or less) the maximum guaranty the SBA provides is 50% of the loan.

8. Will SBA Financing assist a Start Up business? If so, how?

The SBA Program is the best for start-up businesses due to lower capital requirements and the SBA guaranty mitigating against a collateral shortfall. The SBA does loans for loans without collateral. The SBA program also allows for the bank to rely on projections and a business plan if historical performance is not present.

9. It's understood that financing fees are charged for extending SBA Financing. Why, and how do these fees compare to Conventional Bank Financing?

The SBA guaranty fee is set based on the amount of the loan. What's great about the fee is that it helps fund the program. The SBA program is a self-funded program due to the fees collected. Due to the fact that the SBA is doing riskier loans, the rate and fee may reflect that.

10. If one gets approved for SBA Financing, takes down the loan and somehow is able to pay it early before maturity, are their prepayment penalties or fees charged?

If the 7a program is used, there is no prepayment fee on terms less than 15 years. For loans that have a 15 year or longer term, the prepayment penalty period ends after 3 years.

11. What type of business needs or situations will the SBA Financing cover and what types will they not? Like working capital, commercial real estate, inventory, equipment, commercial debt consolidation, business acquisition, pay taxes and so forth?

The SBA loan proceeds cannot be used for past-due taxes, speculative investments such as investment real estate, and SBA loans are only made to for-profit business. Religious organizations and non-profits are ineligible. The borrower must have good moral character meaning that the borrower cannot be on probation and cannot have any

felonies. Misdemeanor charges are okay depending on the crime. The SBA will require borrowers that have a criminal history to be fingerprinted and cleared by the FBI.

12. What charges you up about your job?

What charges me about my job, is the fact that I am able to help individuals achieve their dream of being an entrepreneur. I also love being to help that entrepreneur expand their business by enabling them to hire employees, build assets, and provide a strong foundation for financial success.