

SBA & MBL PORTFOLIO REVIEWS: TOO HOT TO PUT ON THE BACK BURNER

Preparing for an NCUA examination or SBA review should begin long before the scheduled dates. By now your credit union should have the necessary financial information in your MBL and SBA loan files. Updates include personal and business tax returns, rents rolls, collateral evaluations, and insurance. Now for the hard part: Is everything up to date and carefully reviewed and documented? Have you performed the necessary site visits? It doesn't work to simply close loans and put them on the back burner. Continual loan servicing and ongoing portfolio maintenance are critical.

With your loan staff busy handling other priorities including new loan proposals, you might not have enough cooks in the kitchen and little time to stand at the stove watching the pot. Yet you can't afford to let your existing SBA and MBL loans simmer. You don't want to be put in the position of having to take actions immediately before an NCUA examination or an SBA review. JRB Associate Pam Davis, a former chief credit officer with 40 years of financial services puts it this way, "The last thing you want is have regulators come in and find issues that should have been addressed early on. In the case of SBA loans, this could put their PLP status or guarantees at risk."

We can take a load off your mind - and your resources. As a certified Lender Service Provider, our JRB Team has helped many credit unions manage their SBA and MBL portfolios. We'll conduct a thorough loan portfolio review, check your tickler reports to ensure accuracy, and in some cases perform site visits.

Our portfolio review services include:

- Identifying loan problems
- Identifying any organizational weaknesses
- Assuring the collateral position has been perfected and collateral value is still sufficient
- Assuring proper financial information has been obtained and an adequate analysis performed
- Identifying weak underwriting practices
- Assuring that the loan purpose and sources of repayment are well defined and meet policy guidelines

So don't let those loans sit on the back burner until they boil over. We have decades of SBA and MBL experience - and the expertise to conduct early portfolio reviews, advise and educate your staff - and protect your SBA and MBL portfolios. You're welcome to call me directly at 626.688.2125 to discuss your institution's needs. To check out our full range of services, go to www.jrbrunoassoc.com.

Joanna

Joanna Bruno
President
J.R. Bruno & Associates
870 Market Street, Suite 462
San Francisco, CA 94102
415.362.1200
626.688.2125 Cell
joanna@jrbrunoassoc.com

Visit us at www.jrbrunoassoc.com