

**FOR  
IMMEDIATE  
RELEASE**



## **Michigan Certified Development Corporation Is Still Open for Business!**

I am quite certain you are aware of the partial shutdown of the federal government that went into effect Friday, December 21st. As the MCDC is an independent organization we remain open for business to serve our lending partners and small businesses throughout this challenging time. It is apparent the shutdown will continue into 2019, so included below is a brief update regarding the effect on loan applications based upon the various stages of the approval/funding process of a 504 loan.

If your application is:

- **Not yet MCDC Board approved** - continue working with your MCDC Loan Officer and/or Underwriter to provide the necessary information to complete the credit memo for submission to the Board for approval.
- **MCDC Board approved but not yet submitted to SBA** - MCDC Underwriters will continue to gather all necessary information for submission to the SBA. Currently, the SBA system is not accepting applications. MCDC Underwriting is readying applications for submission the day the SBA is back to work. Applications will be submitted to SBA in the order approved by the Board, the exception being where a deadline necessitates expedited processing.
- **Submitted to SBA but not yet approved** - if the loan had been submitted to the SBA prior to the shutdown, processing by SBA will resume as soon as government funding is approved. MCDC Underwriters will monitor the progress of any applications as best they can. Continue to gather information as necessary or requested prior to the shutdown.
- **SBA approved but not yet closed** - MCDC Closers will continue working with the Borrower, Lender and MCDC Loan Officer to get the loan closed. MCDC Loan Officers will advise when funding will occur once the SBA begins operation again. In previous shutdowns, the SBA has extended the deadline for submissions allowing monthly funding to occur. We will advise as to the plan/timing once SBA personnel are back at work.

- **Closed not yet funded** - funding for January should occur as scheduled on the 16th.
- **Funded loans** - MCDC Servicers are hard at work and will continue to service the existing loan portfolio as they always have. Any requests for changes on an existing loan that requires SBA approval will be on hold until the government begins operating again. As an SBA-approved processor, MCDC has delegated authority to approve some changes on behalf of the SBA, an advantage to working with MCDC over a non-delegated CDC.

The government shutdown has the same effect on 7(a) loan processing as described above for 504 loans.

If you have questions regarding the status of your 504 or 7(a) application, please contact your MCDC Loan Officer or call the East Lansing headquarters at 833-4-SBA-Loan (833-472-2562).

All the best as we welcome 2019.

Mark Williams, President

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