

Supporting Small Business with Access to Capital

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Together we'll go far



Wells Fargo is lending

- National #1 SBA lender in dollars
 - \$827 million in 2009 vs. \$659 million in 2008
- California's #1 SBA lender
 - \$212 million in 2009 vs. \$172 million in 2008
- Wells Fargo continues to be committed to making loans to credit-worthy customers
 - Still hearing business-owner concerns about economy/not ready to invest in expansion or to start a business

Wells Fargo and Wachovia combined

- America's #1 small business lender across three major Community Reinvestment (CRA) categories for 2008:
 - Loans under \$100,000;
 - Loans under \$100,000 in low-and moderate-income (LMI) neighborhoods;
 - Total business lending under \$1 million

New and existing businesses' demand for credit

- Credit requests have steadily increased since the federal stimulus bill with SBA features was passed on 2/17/09:
 - The waiver of the loan guaranty fees has been a big boost;
 - Many counties are being impacted by the weakness in the commercial real estate market

SBA recovery tools are helping, processes need enhancement to serve more

- Wells Fargo is actively promoting the guaranty fee waiver on 7a loans and 90% guaranty
- Wells Fargo is participating in ARC program
 - Robust interest, lengthy underwriting cycle, modest pull-through volumes

SBA recovery tools appropriate to client need

- The extension of the guaranty fee waiver would help small business as the economy begins to improve:

Recommendations:

- One-year extension;
- Increase loan ceiling for 7a to \$5 million
- Codify new 7a size standards to match the 504 to make more businesses eligible for SBA financing

Helping businesses overcome challenges

- Wells Fargo is lending when conventional loans may not be available:
 - SBA loans offer longer terms, smaller down-payment requirements and more attractive rates for borrowers
- How to help small businesses weather this economic downturn?
 - Keep the stimulus features in place for 2010

Questions?