



The 1502 Bulletin

Bulletin #27
September 2001

General Notice:

The prime rate has been reduced to 6.00%. This change affects variable rate SBA 7(a) loans tied to the prime rate. For loans that adjust on the first day of the month or calendar quarter, interest must be calculated as of October 1, 2001 using 6.00% as the base rate. If a new prime rate takes affect on or before October 1, 2001, the new prime rate should be used.

NOTE: For variable rate loans that adjust on a day other than the first day of the month or calendar quarter, the new prime rate of 6.00% is effective on the change date occurring on or after September 18, 2001.

Specific Advice:

To better assist you with reporting the rate change, an example is provided. In this case, the borrower made a payment on October 15 and the interest period spanned the loan's rate change date on October 1. The payment is reported as two lines on the 1502 for the month ending October 31, 2001.

Example

	SBA GP number	Lender Loan Number	Next Installment Due Date	Status (4-9)	Amt Disbursed this Period on Total Loan	Amount Undisbursed on Total Loan	Interest Rate	Guar. Portion Interest	Guar. Portion Principal	Total to FTA		# of Days	Calendar Basis	Guar. Portion Closing Balance	Remittance Penalty (if any)	
										Guar. Portion Pymt or Fee	Interest Period From To					
A.	1234563000	54321	11/15/01				6.50 %	\$ 484.38	\$ 0	\$ 484.38	9/15/01	10/1/01	16	365	\$ 170,000.11	
	1234563000	54321	11/15/01				6.00 %	\$ 391.23	\$ 656.71	\$1,047.94	10/1/01	10/15/01	14	365	\$ 169,343.40	
B.	6543214000	23541	11/15/01				6.50 %	\$ 599.59	\$ 0	\$ 46.12	9/15/01	10/1/01	16	365	\$ 210,433.27	
	6543214000	23541	11/15/01				6.00 %	\$ 484.28	\$ 435.00	\$ 40.36	10/1/01	10/15/01	14	365	\$ 209,998.27	

A. Sold Loans:

1. The first example shown is a sold loan with a sold rate of Prime + 1.00%.
2. The interest rate reported is the borrower's note rate less the lender's servicing fee of 1.00%.
3. The amount due the secondary market is indicated on two lines in the *Total to FTA* column.

B. Unsold Loans:

1. The second example shown is an unsold loan subject to SBA's 50 basis point fee with a rate of Prime. The fee amount should be indicated in the *Total to FTA* column for each line of data reported.
2. For unsold loans not subject to SBA's fee, do not sum the *Guaranteed Portion Interest* and *Guaranteed Portion Principal* columns. The *Total to FTA* column should reflect \$0.00.

Footnote:

The following fields on the 1502 form should be completed, if applicable:

- Status (4-9)
- Amt Disbursed this Period on Total Loan (unsold loans only)
- Amt Undisbursed on Total Loan (unsold loans only)

Colson Services Corp. - SBA's Fiscal and Transfer Agent
*** TEMPORARY NUMBERS ***

For unsold loans – 718-242-4734; 718-242-4269; 718-242-3503

For sold loans – 718-242-3475; 718-242-2589; 718-242-2870

7(a) fax numbers – 718-242-4925; 718-242-4623; 718-242-1229

For address for SBA 1502 Form submissions: Kathy1502@yahoo.com