

Liberty SBF Launches National SBA 504 Secondary Market Program

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Bob Coleman: Hi, I'm talking with Alex Cohen, the CEO of Liberty SBF. What's SBF, Alex?

Alex Cohen: SBF stands for Small Business Funding.

Bob Coleman: Cool, cool. What do you guys do?

Alex Cohen: We are a non-bank lender that's focused on originating and servicing SBA 504 third party loans.

Bob Coleman: Cool, cool. You are announcing a new SBA 504 loan program. The stats have been down on the program. Tell us what your program is and is it going to help increase volume?

Alex Cohen: Absolutely, that's a great question, Bob. We're very excited about our program both from the perspective of helping to bring up the numbers on the SBA 504s nationally. We are launching a national SBA 504 secondary market program where we're going to be originating through referral sources across the country, SBA, 504s, both as a third party lender and as an interim lender to support the SBA debenture takeout process.

Bob Coleman: Tell me about your credit box because you're getting pretty specific here it looks like.

Alex Cohen: Yeah, absolutely. So one of the things that is important to us and one of the drivers for the launch of this platform, Bob, is the real lack on a national level of third party lenders who focus on single purpose, special purpose and hospitality collateral. And really that's the focus of what Liberty SBF is doing on a national level.

Bob Coleman: Well, that's a very specific niche and a very needed niche, absolutely. I don't think we've met before, you're new to the industry. How long have you been doing this and what's your background?

Alex Cohen: Yeah, absolutely. So my background is I worked at M&T Bank which is a large regional bank lender and a top SBA lender in the Northeast and really cut my teeth working at M&T Bank both on the commercial real estate side and in the SBA secondary market side. Liberty SBF was founded in 2011 in response to really a lack of liquidity and credit available to small business borrowers on a national basis and so we've been originating SBA 504 loans as Liberty SBF since late 2011 and we're very excited –

Bob Coleman: You certainly entered the marketplace, as the Chinese say it, interesting times. But I always like to talk perspective, are we a lot better off in 2014 than – how much further back do we need to go?

Alex Cohen: Sure, one of the interesting things about Liberty is that we have a pretty broad perspective on the market. We sit in Philadelphia, Pennsylvania, but we also have folks that are based in New York, in California, in Illinois, in Florida and so we really get a sense of what's going on not only on a national basis, but also in certain very important submarkets where there's a large concentration of small business borrowers.

We've actually seen – in several markets when you look at CMBS, when you look at balance sheet lending from banks, you have started to see more credit available particularly on an institutional basis to large property owners and institutional players. One of the interesting things that we've seen from our perspective is there's still a real dearth of liquidity being provided to small business borrowers who are hoteliers, on select and limited service hoteliers on a national basis; daycare centers, auto dealerships and other types of single purpose and special purpose collateral.

Bob Coleman: Well, the more – yeah.

Alex Cohen: We still don't a lot of national lenders that focus on those types of borrowers.

Bob Coleman: That's great. The more options that are available to the marketplace that's good. It's good for Main Street. Last question. You're a new advertiser to *The Coleman Report*, thank you for joining us. What do you want to get out of your relationship with Coleman?

Alex Cohen: Absolutely, so we've known Coleman as a publication for a long time, as long as I've been involved in the SBA business and we obviously know that the readership is very committed to providing funding and liquidity to small businesses across the country. And so our main driver in advertising with Coleman specifically is to get our name out, get the program out, and really be able to provide a product to referral sources who we know read your publication everyday.

Bob Coleman: Great.

Alex Cohen: And I think it's a real homerun in terms of what we're offering to our referral sources because we're able to incentivize referral sources to refer **[unintelligible 00:04:48]** business on a national basis and obviously it's great for the borrowers and small business to Main Street.

Bob Coleman: Well, great. Well, welcome. Alex Cohen, the CEO of Liberty SBF out of Philadelphia, thanks for joining us.

Alex Cohen: Thanks, Bob.