

### Tax Season: Time for SBA Borrower Check-ups

Tax Day, April 17, has come and gone. Now SBA-required annual tax returns must be submitted by the borrower. Why not take advantage of this time to visit your borrowers and collect their financial statements in person? The annual collection of tax returns offers the opportunity to get a closer view of these businesses and to improve your portfolio.

How long has it been since one of your loan officers visited your SBA borrowers? Not since you instituted the loans? Tax time is a prime opportunity for on-site check-ups. So make house calls. No anachronisms here. Sure, your borrowers can send their financials by certified snail-mail or scanned secure email. Yet when the financials are collected in person, the calling officer can get an "eyes on" assessment of current operations. They can ask about improvements and plans for expansion. Or conversely, they can find out about any changes that could indicate problems. All potential needs for additional funds:

- Are they cutting out a 2nd shift or are they adding employees?
- Are they increasing the inventory? Cutting back?
- Are they improving the facility?
- Do they have an opportunity to buy out a competitor?
- Which of your additional products would benefit the business?

It's difficult to do a thorough analysis of a business from a distance. You can get a feel from their tax returns. Yet a sit-down chat and an on-site look-see can uncover information about the business not covered in tax forms or loan paperwork. As the economy softens, it's important to get a feel for a borrower's situation, to evaluate their needs, and discuss introducing additional products, services, or loans.

As long-time SBA Loan Service Providers, we're experienced in knowing what to look for. We can assist you in reviewing your SBA portfolio, pointing out key indicators, developing the right questions, and targeting the right products - in advance of borrower visits.

Call us at 415.362.1200. Or visit [www.jrbrunoassoc.com](http://www.jrbrunoassoc.com). We look forward to working with you!

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