

FAQs

SBA – Going Concern (4/24/12)

- Q. Effective Oct. 1, 2011, the SBA updated its appraisal policies relative to business valuation requirements and going concern appraisals when there are changes in ownership. (http://www.sba.gov/sites/default/files/SOP%2050%2010%205%28D%29%20%289-15-11%29%20clean_0.pdf). Real property appraisers who do not hold a business valuation designation must complete a course on allocation for going concern appraisals when there is a change in ownership and the amount loaned on the business component is greater than \$250,000. Will *Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets* be accepted by the SBA as fulfilling its new education requirement?**
- A. Yes, the Appraisal Institute course is the only course recognized by the SBA for this particular type of appraisal assignment (see p. 191 of SOP 50 10 5 (D) *Lender and Development Company Loan Programs* http://www.sba.gov/sites/default/files/SOP%2050%2010%205%28D%29%20%289-15-11%29%20clean_0.pdf). Participants who have taken the course and passed the exam will be placed on the *SBA Going Concern Registry* located on the Appraisal Institute's Web site.
- Q. Will the previous Course 800, *Separating Real and Personal Property from Intangible Business Assets*, be accepted by the SBA as fulfilling its new education requirement?**
- A. Yes. Successful completion of Course 800 will meet the SBA's education requirement. Participants who took the course and passed the exam have been placed on an *SBA Going Concern Registry* located on the Appraisal Institute's Web site.
- Q. How is the *SBA Going Concern Registry* different from the *Valuation of the Components of a Business Enterprise Professional Development Program Registry*?**
- A. Anyone who has completed and passed the exam for the 800 course or the new course will be placed on the *SBA Going Concern Registry*. Only designated members will be placed on the *Valuation of the Components of a Business Enterprise Professional Development Program's Registry*. Additional business enterprise courses will be developed for the *Valuation of the Components of a Business Enterprise Professional Development Program* which will expand designated members' knowledge base on the topic.