



SBA Information Notice

TO: All SBA Employees and SBA Lenders

CONTROL NO.: 5000-872353

SUBJECT: Issuance of SOP 50 57 4, 7(a) Loan Servicing and Liquidation

EFFECTIVE: September 25, 2025

The purpose of this Notice is to advise SBA Lenders and SBA employees of the issuance of Standard Operating Procedure (SOP) 50 57 4, 7(a) Loan Servicing and Liquidation. SOP 50 57 4 will become effective on November 1, 2025, and will apply to all SBA 7(a) loan servicing and liquidation actions occurring on or after that date. Participants must continue to use SOP 50 57 3.1 through October 31, 2025.

The updates to the SOP provide clarity and additional guidance, and include the following:

- Definitions were added and updated to clarify and provide additional guidance.
- Personal property liquidation value threshold for certain actions was increased from \$5,000 to \$10,000.
- Contact offices were updated to reflect the closure of the Little Rock Commercial Loan Servicing Center (CLSC) and that 7(a) loans are now serviced out of either the CLSC in Fresno, CA, or National Guaranty Purchase Center in Herndon, VA.
- Added PPP Loan records retention requirements.
- Clarified when and how SBA Lenders' annual service fees are to be paid.
- Added information on a new loan status of "SBA Uncollectible," which applies when SBA has exhausted collection efforts and eligible Obligators are ready to be referred to Treasury for collection.
- Made updates to bring this SOP in line with the new version of SOP 50 10, and SBA Procedural Notice 5000-866946, Revisions to SOP 50 57 3.1 for SBA's Processing of Lender Guaranty Purchase Requests and Certain Servicing Actions.
- Added where applicable that new Obligators must meet the citizenship requirements in the most current version of SOP 50 10.

Users are advised to review SOP 50 57 4 in its entirety, to ensure a complete understanding of all changes.

Questions concerning this Notice may be directed to the Lender Relations Specialist in the local SBA Field Office. Local SBA Field Offices can be found [here](#).

Thomas Kimsey
Associate Administrator
Office of Capital Access