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Village Bank provides \$65 million in Paycheck Protection Program Loans

St. Francis, Minn. – Since the Paycheck Protection Program’s (PPP) launch in early April, Village Bank, an SBA Preferred Lender, has approved more than \$65 million in desperately needed liquidity for 500 businesses disrupted by the COVID-19 pandemic. Village Bank provided 38 percent of its PPP loans to customers who could not otherwise access PPP funding through their large bank or credit union relationship.

The staff of Village Bank worked around the clock during April to help customers secure aid. “Our Villagers are executing as problem solvers and financial partners to our local business owners. I could not be prouder of what our team accomplished in support of our local economy,” said Aleesha Webb, President & Vice Chairwoman of Village Bank. “Each PPP loan represents tens, or even hundreds, of jobs preserved in this time of crisis. Our Villagers have stepped up and achieved over and over, not because they had to but because they wanted to save Main Street and support their local friends and families.”

According to the Small Business Administration, community banks approved about 60 percent of first-round PPP loans. Nationally, banks under \$1 billion – a group that represents just 6 percent of all banking assets – provided their communities with nearly 20 percent of first-round PPP loan dollars.

In Minnesota, more than 89,000 small businesses received a total of \$11.3 billion in PPP funding as of May 8 from SBA-approved lenders, the agency reported. “Community banks are coming out the heroes of the program in terms of coming online to serve their local economies, for responsiveness to borrowers, and for the number of loans [relative to their size],” said Brian McDonald, the Acting SBA District Director for Minnesota. “Small businesses are benefiting from Minnesota’s strong community banking sector and the lenders who are putting in long hours and submitting record quantities of SBA loans to help shore up their local economies.”

Community bankers also set aside competition and worked together to provide each other with needed information to bring PPP lending online. “During the week of April 6, I was on calls with bankers all day and every day as they prepared to help their customers,” said Jim Amundson, President & CEO of the Independent Community Bankers of Minnesota. “The focus was not on who would gain the most; it was on collaborating as an industry to provide aid as soon as possible.”

When Congress authorized the second round of \$310 billion in PPP funding, it chose community banks as the exclusive provider for \$60 billion. Congress reserved \$30 billion of that amount for banks under \$10 billion. “Congress recognized that community banks had proven to be the most dependable PPP providers for the small businesses,” Amundson said. “They stood in the gap for our country’s small businesses while the largest banks were turning them away.”

The second round of the Paycheck Protection Program is available until June 30 or until funding is exhausted. As of May 8, about \$122.9 billion remains available.

Village Bank understands that funding PPP loans is only the beginning of supporting Main Street businesses. There will be more chances to help business owners navigate difficult times and the opportunities of the marketplace that are revealed in the future. To inquire about Village Bank’s SBA loan options, contact the SBA team at SBA@villagebankonline.com or visit www.villagebankonline.bank.

Village Bank is a community bank headquartered in Blaine, Minnesota. Founded in 1993, Village Bank has a long legacy of building strong communities. The ultimate goal of Village Bank is to help customers and clients fulfill their dreams — whether it’s buying a home, starting a business, saving for college or planning for their future. The bank has four physical locations in the Twin Cities area: Blaine, Ramsey, East Bethel, and St. Francis. For more information on its products and services, visit villagebankonline.bank.

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