



October 1, 2026 Procedural Notice: Secondary Market Loan Sales and Guaranty Sale Application Requirements

SBA is proud to celebrate the successful launch and mandatory adoption of the iCAP Guaranty Sale application, effective October 1, 2026. The application is now the required platform for processing SBA 7(a) secondary market guaranty sales and provides a centralized process to improve efficiency, transparency, and transaction processing.

Full Disbursement Reporting Requirement

Before initiating a guaranty sale, lenders must ensure that the loan has been fully disbursed and that the full disbursement has been reported to the SBA. SBA records must reflect the loan's fully disbursed status and current payment status **before** the lender enters the Guaranty Sale portal to begin the secondary market sale transaction.

On or after the date of full disbursement and prior to initiating a guaranty sale, Lenders are responsible for submitting SBA Form 1502 reporting necessary to reflect the loan's fully disbursed status in SBA's systems. No separate notification or request from the Fiscal Transfer Agent (FTA) is required. Lenders may submit the reporting at the time of the disbursement or through the regular monthly reporting cycle, provided the fully disbursed status is reflected in SBA's records before the sale is initiated.

Contingency Reporting Method

In limited circumstances where reporting through the SBA Form 1502 process is not feasible, or timing considerations require an alternative approach, lenders may update disbursement information directly in ETRAN. This option should be used only as a contingency method and not as a substitute for the standard SBA Form 1502 reporting process. Lenders should verify that the full disbursement has been successfully reflected in the SBA systems before proceeding with the sale.

Monthly SBA Form 1502 Reporting

If a lender reports full disbursement through SBA Form 1502 or a direct ETRAN update before the regular monthly reporting cycle, the lender should not report the same disbursement activity again. On the subsequent monthly SBA Form 1502, the lender should report "Total Amount Disbursed This Period" as \$0 for the loan because the disbursement was previously reported. Compliance with these requirements will help ensure accurate loan status reporting and support timely and efficient processing of secondary market guaranty sales through the iCAP Guaranty Sale Application.

Questions



For questions or concerns relating to this matter, please contact the FTA Client Service Team at fta@sba.gov or via the toll-free hotline at (877) 470-0722.