

Who is Eligible for an SBA Loan?

Most for-profit small businesses are eligible for an SBA-guaranteed loan, including manufacturers, wholesale, retail, service businesses, and independent or franchise businesses.

Loan Qualifications

- Retail and service businesses with sales (3-year average) not exceeding \$6 million to \$20 million, depending on the industry
- Wholesale companies with employees up to 100 regardless of sales volume
- Manufacturers with employees up to 500 depending on the industry, regardless of sales volume



SBA 7(A) Loan Size \$150,000 to \$5.0 million

Loan Fees

- Loan packaging fee: \$750 to \$2,000
- Fee is based on loan size, and it is collected at the time of loan submission; refunded if declined by the credit
- SBA guaranty fee: 1.70% to 2.60% of the loan amount
- Fee can be financed in the loan

Use of Proceeds

- Commercial real estate (purchases, construction, or refinance)
- Leasehold improvements
- Business expansions
- Machinery, equipment, furniture, or fixtures
- Business Acquisition
- Working capital (offered in conjunction with some of the above)
- Start-ups (ALL Franchises, Motels, Restaurants, Gas Stations, and C-Stores)

Other Credits Considerations

Business must have adequate historic cash flow to cover the proposed debt

Business debt to net worth must meet industry averages

Borrowers must be actively involved in the day-to-day operation of the business

Satisfactory personal credit histories are required for all principles and guarantors

No past bankruptcies or felony arrests