SBA U.S. Small Business Administration

QUICK REFERENCE TO SBA LOAN GUARANTY PROGRAMS

Program	Maximum Loan Amount	Percent of Guaranty	Use of Proceeds	Maturity	Maximum Interest Rates	Guaranty Fees	Who Qualifies	Benefits to Borrowers
7(a) Loans	$5 million	85% guaranty for loans of $150,000 or less; 75% guaranty for loans greater than $150,000 (up to $3.75 million maximum guaranty)	Term Loan. Expansion/ renovation; new construction, purchase land or buildings; purchase equipment, fixtures, lease-hold improvements; working capital; refinance debt for compelling reasons; seasonal line of credit, inventory or starting a business	Depends on ability to repay. Generally, working capital & machinery & equipment (not to exceed life of equipment) is 5-10 years; real estate is 25 years.	**Loans less than 7 years:** $0 - $25,000 Prime + 4.25% $25,001 - $50,000 P + 3.25% Over $50,000 Prime + 2.25% **Loans 7 years or longer:** 0 - $25,000 Prime + 4.75% $25,001 - $50,000 P + 3.75% Over $50,000 Prime + 2.75%	**(No SBA fees on loans of $150,000 or less approved in FY 2014.)** Fee charged on guaranteed portion of loan only. $150,001-$700,000 = 3.0%; $700,000-$1,000,000 = 3.5%; plus 3.75% on guaranty portion over $1 million. Ongoing fee of 0.52% on loans over $150,000.	Must be a for-profit business & meet SBA size standards; show good character, credit, management, and ability to repay. Must be an eligible type of business. Prepayment penalty for loans with maturities of 15 years or more if prepaid during first 3 years. (5% year 1, 3% year 2 and 1% year 3)	Long-term financing; Improved cash flow; Fixed maturity; No balloons; No prepayment penalty (under 15 years)
7(a) Small Loans Is any 7(a) loan $350,000 and under, except the Community Advantage and Express loans	$350,000	Same as 7(a)	Same as 7(a)	Same as 7(a)	Same as 7(a)	Same as 7(a)	Same as 7(a) Plus, all loan applications will be credit scored by SBA . If not an acceptable score, the loan can be submitted via full standard 7(a) or Express.	Same as 7(a)
SBA*Express*	$350,000	50%	May be used for revolving lines of credit (up to 7 year maturity) or for a term loan [same as 7(a)].	Up to 7 years for Revolving Lines of Credit including term out period. Otherwise, same as 7(a).	Loans $50,000 or less; prime+ 6.5% Loans over $50,000; prime + 4.5%	Same as 7(a)	Same as 7(a)	Fast turnaround; Streamlined process; Easy-to-use line of credit
SBA Veterans Advantage 01/01/14 - 09/30/14	Same as SBAExpress	Same as SBA*Express*	Same as SBA*Express*	Same as SBA*Express*	Same as SBA*Express*	No guaranty fee Ongoing fee of 0.52% on loans above $150,000.	Same as 7(a) Plus, small business must be owned and controlled (51%+) by one or more of the following groups: veteran, active-duty military in TAP, reservist or National Guard member or a spouse of any of these groups, or a widowed spouse of a service member or veteran who died during service, or a service-connected disability.	Same as SBAExpress No guaranty fee
CapLines: 1. Working Capital; 2. Contract; 3. Seasonal; and 4. Builders	$5 million	Same as 7(a)	Finance seasonal and/or short-term working capital needs; cost to perform; construction costs; advances against existing inventory and receivables; consolidation of short-term debts. May be revolving.	Up to 10 years, except Builder's CAPLine, which is 5 years	Same as 7(a)	Same as 7(a)	Same as 7(a) Plus, all lenders must execute Form 750 & 750B (short-term loans)	1. Working Capital - (LOC) Revolving Line of Credit 2. Contract - can finance all costs (excluding profit). 3. Seasonal - Seasonal working capital needs. 4. Builder - Finances direct costs when building a commercial or residential structure
Community Advantage Mission-focused lenders only. Expires 03/15/17	$250,000	Same as 7(a)	Same as 7(a)	Same as 7(a)	Prime plus 6%	Same as 7(a)	Same as 7(a)	Same as 7(a) Plus lenders must be CDFIs, CDCs or micro-lender targeting underserved market

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Information current as of March 2014

SBA Programs and services are provided on a nondiscriminatory basis.
See the SOP for the most up to date detailed information

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QUICK REFERENCE TO SBA LOAN GUARANTY PROGRAMS

Program	Maximum Loan Amount	Percent of Guaranty	Use of Proceeds	Maturity	Maximum Interest Rates	Guaranty Fees	Who Qualifies	Benefits to Borrowers
International Trade	$5 million	90% guaranty (up to $4.5 million maximum guaranty) (Up to $4 million maximum guaranty for working capital)	Term loan for permanent working capital, equipment, facilities, land and buildings and debt refinance related to international trade	Up to 25 years.	Same as 7(a)	Same as 7(a)	Same as 7(a) Plus, engaged or preparing to engage in international trade or adversely affected by competition from imports.	Long term financing to allow small business to compete more effectively in the international marketplace
Export Working Capital Program	$5 million	90% guaranty (up to $4.5 million maximum guaranty)	Short-term, working-capital loans for exporters. May be transaction based or asset-based. Can also support standby letters of credit	Generally one year or less, may go up to 3 years	No SBA maximum interest rate cap, but SBA monitors for reasonableness	Same as 7(a)	Same as 7(a) Plus, need short-term working capital for exporting.	Additional working capital to increase Export sales without disrupting domestic financing and business plan
Export *Express*	$500,000	90% guaranty for loans of $350,000 or less; 75% guaranty for loans greater than $350,000	Same as SBA*Express* plus standby letters of credit	Same as SBA*Express*	Same as SBA*Express*	Same as 7(a)	Applicant must demonstrate that loan will enable them to enter a new, or expand in an existing export market. Business must have been in operation for at least 12 months (though not necessarily in exporting).	Fast turnaround; Streamlined process; Easy-to-use line of credit
504 Loans Provided through Certified Development Companies (CDCs) which are licensed by SBA	504 CDC maximum amount ranges from $5 million to $5.5 million, depending on type of business.	Project costs financed as follows: CDC: up to 40% Lender: 50% (Non-guaranteed) Equity: 10% plus additional 5% if new business and/or 5% if special use property.	Long-term, fixed-asset loans; Lender (non-guaranteed) financing secured by first lien on project assets. CDC loan provided from SBA 100% guaranteed debenture sold to investors at fixed rate secured by 2nd lien.	CDC Loan: 10- or 20-year term fixed interest rate. Lender Loan: Unguaranteed financing may have a shorter term. May be fixed or adjustable interest rate	Fixed rate on 504 Loan established when the debenture backing loan is sold. Declining prepayment penalty for 1/2 of term.	.5% fee on lender share, plus CDC may charge up to 1.5% on their share. CDC charges a monthly servicing fee of 0.625%-1.5% on unpaid balance Ongoing guaranty fee is 0.9375% of principal outstanding. Ongoing fee % does not change during term.	Alternative Size Standard: For-profit businesses that do not exceed $15 million in tangible net worth, and do not have an average two full fiscal year net income over $5 million. Owner Occupied 51% for existing or 60% for new construction.	Low down payment - equity (10,15 or 20 percent) (The equity contribution may be borrowed as long as it is not from an SBA loan) Fees can be financed; SBA /CDC Portion: Long-term fixed rate Full amortization and No balloons
Non-7(a) Loans Microloans Loans through nonprofit lending organizations; technical assistance also provided.	$50,000	Not applicable	Purchase machinery & equipment, fixtures, leasehold improvements; working capital; etc. Cannot be used to repay existing debt.	Shortest term possible, not to exceed 6 years	Negotiable with intermediary. Subject to either 7.75 or 8.5% above intermediary cost of funds.	No guaranty fee	Same as 7(a)	Direct loans from nonprofit intermediary lenders; *Fixed-rate financing;* Very small loan amounts; Technical assistance available

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