

# SBA Loan Programs

*Senator Sherrod Brown's Small  
Business Workshop  
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# **How SBA Assists**

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- SBA does not make direct loans or offer grants.
- All SBA loans are loans by financial institutions guaranteed by Agency.
- The SBA, in effect, acts as a co-signer for the small business.
- The first step is to get a financial institution involved

# ***SBA Loan Programs***

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- ***Regular 7(a) Loan Program***
- ***504 Loan Program***
- ***SBAExpress/Community Express/Patriot Express***
- **CAPLines**
- **Export Working Capital/International Trade/Export *Express* Loan Programs**
- **ARC**

# **Benefits of SBA Lending Programs**

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- **Extended Repayment term**
  - Based on use of proceeds (max. 25 years)
- **Better Pricing/Market rate of interest**
- **Lower Down Payments**
- **Flexible Repayment Options**

## **Credit/eligibility criteria for SBA loans**

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- Must be “small” business
- For profits only
- Good character/credit
- U.S. citizen or LPR
- Must show repayment from business cash flow
- All available collateral is typically pledged
- Personal guaranty of all 20%+ owners

## How do you apply for these loans?

- Borrowers apply for loans directly through lending institutions (participating banks, credit unions, CDCs)
- Lender may choose to:
  - Make loan w/o SBA guaranty
  - Make loan subject to SBA guaranty
  - Decline to make the loan

Programs and services to help you start, grow and succeed

# **SBA Resources**

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- [www.sba.gov](http://www.sba.gov)
- (216) 522-4180 for Cleveland office
- SCORE, SBDC & CDC network



U.S. Small Business Administration

Your Small Business Resource

[www.sba.gov](http://www.sba.gov)