



News Release

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SBA Lending Activity in FY 2013 Shows SBA Continuing to Help Small Businesses Grow and Create Jobs

SBA Wisconsin Experiences Third Highest Loan Volume Ever, Leads in Small Loan Advantage

WASHINGTON – The U.S. Small Business Administration (SBA) today announced its third highest year of SBA lending to date, surpassed only by SBA’s two record years of supporting more than \$30 billion in FY 2011 and 2012. In FY 2013, SBA supported more than \$29 billion in lending to America’s small businesses, giving small businesses critical access to the capital they need to start and grow their business. Wisconsin also had its third highest loan volume ever, with more than \$657 million in loans supported to 1656 businesses.

“Under President Obama, SBA lending has reached record levels and we continue to get more capital into the hands of small business owners than ever before,” said Acting SBA Administrator Jeanne Hult. “Small businesses are the engine of our economy, and reaching our third highest year of SBA lending in FY 2013 demonstrates the strength and resiliency of America’s 28 million small businesses as they continue to recover from the Great Recession and drive our economy forward.”

One of SBA’s primary missions is to ensure that small business owners have access to the capital they need to start and grow their business. Since President Obama took office, SBA has supported more than \$126 billion in lending to more than 260,000 small businesses and entrepreneurs. During the fiscal year, which ended Sept. 30, SBA loan approvals supported \$29.6 billion (54,106 loans) to small businesses in its two main loan programs, 7(a) and 504, compared to \$30.25 billion (53,848 loans) in FY 2012 and \$30.5 billion (61,689 loans) in FY 2011.

Both the number and volume of Wisconsin’s 7(a) loans grew compared to FY2012, from 1405 to 1456 loan guarantees and from \$468.7 million to \$522.2 million, an 11.4% increase in loan dollars guaranteed. Loans in the 504 program (exclusive of 504 refinancing) grew also, from 187 loans totaling \$105 million in FY2012 to 200 loans totaling \$135 million in FY2013.

SBA’s streamlining of the Small Loan Advantage (SLA) programs also continued to produce dramatic results, increasing the number of lower-dollar SBA 7(a) loans going to small businesses and entrepreneurs in underserved communities. The program, which is a key 7(a) loan initiative designed to expand access to loans under \$350,000, was first launched in February 2011, and revamped in June 2012. SBA has significantly reduced paperwork for the SLA program and expanded our pool of lenders—changes that have resulted in a more than 300 percent increase in SLA loans and an over 700 percent increase in the number of lenders using the program. In FY 2013, SBA backed almost 5,000 loans for nearly \$745 million through the SLA program. Wisconsin led the nation with 229 SLA loans for over \$38 million, more than an eleven-fold increase from the previous year.

As with SLA, CAPLines, our program that provides working capital lines of credit designed to help small businesses with their short-term working capital needs, saw a successful year in part because of measures to streamline loan processing, making it easier for loans to get into the hands of small businesses that need them. In FY 2013, CAPLines approved 682 loans for more than \$500 million. In the two full fiscal years since the program was re-designed, SBA has cumulatively approved 1,200 loans after only doing 1,300 over 15 years—a significant increase over the 1,300 loans issued over the 15 years prior.

In FY 2013, SBA also supported more than 7,700 504 loans, which provide small businesses with long-term, fixed-rate financing to acquire real estate and major fixed assets, for a total of more than \$11.7 billion. Although this is a slight decrease compared with FY 2012, this decrease demonstrates the importance of SBA's 504 Refinancing Program, which temporarily allowed small business owners to use our 504 program to refinance commercial real estate and other fixed assets and gave SBA a record year for 504 lending in FY 2012. That program was authorized by the Small Business Jobs Act and expired in 2012, but a one year extension of the program was included in the President's FY14 budget.

For more information about these and other SBA programs, visit the SBA website at www.sba.gov, or contact your local SBA field office. You can find contact information for your local SBA office at <http://www.sba.gov/localresources/index.html>.