

QUICK REFERENCE GUIDE TO SBA GUARANTY PROGRAMS

Program	Maximum Amount	Percent of Guaranty	Use of Proceeds	Maturity	Maximum Interest Rates	Guaranty Fees	Who Qualifies	Benefits to Borrowers
7(a) Loans Regular 7(a): SBA Approves Preferred Lender Program Lender Approves	\$ 5 million gross	Maximum guaranty of 75% up to \$3.75 million; 85% if gross loan is \$150,000 or less.	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	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 7 years or less: prime +2.25%; over 7 years: prime +2.75%; under \$50,000, rates can be higher by 2% for loans of \$25,000 and \$50,000. prepayment penalty for loans with maturities of 15 years or more if prepaid during 1st 3 years	(Fee charged on guaranteed portion of loan only.) Maturity 1 year or less 0.25% guaranty fee; over 1 year: %150,000 gross amount or less = 2%; \$150,001 - \$700,000 = 3.0%; over \$700,000 = 3.5% up to \$1 million, plus 3.75% of portion over \$1 million.	must be for profit & meet SBA size standards; show good character, credit, management, and ability to repay. must be an eligible type of business.	Long-term financing Improved cash flow Fixed maturity No balloons No prepayment penalty (under 15 years)
SBA Express Lender approves. Minimal SBA paperwork.	\$ 1 million (till 9/27/2011) After 9/27/2011 \$350,000	50%	May be used for revolving lines of credit (up to 7 year maturity) or for a long term loan (same as 7(a))	See 7(a)	Loans \$50,000 or less prime + 6.5%; loans greater than \$50,000 prime + 4.5%;	See 7(a)	See 7(a)	Faster turnaround Streamlined process Easy-to-use line of credit Electronic application
Small Loan Advantage Program Lender approves. Minimal SBA paperwork.	\$250,000	85% on loans of \$150,000 or less. Loans over \$150,000 receive a 75% guaranty	See 7(a)	See 7(a)	Same as Regular 7(a)	2% on guaranteed portion of loans up to \$150,000; 3% on the guaranteed portion of loans more than \$150,000.00	No SBA application required. Bank has delegated authority.	Faster turnaround Streamlined process Easy-to-use line of credit Electronic application
Community Advantage Program	\$250,000	85% on loans of \$150,000 or less. Loans over \$150,000 receive a 75% guaranty	See 7(a)	See 7(a)	Lender can charge a higher interest rate than Regular 7(a)	2% on guaranteed portion of loans up to \$150,000; 3% on the guaranteed portion of loans more than \$150,000.00	No SBA application required. Bank has delegated authority.	Faster turnaround Streamlined process Easy-to-use line of credit Electronic application
Patriot Express Lender approves loan Minimal additional SBA paperwork	\$500,000	85% on loans of \$150,000 or less. Loans over \$150,000 receive a 75% guaranty	Same as SBA Express	See 7(a)	Same as Regular 7(a)	See 7(a)	See 7(a). In addition, small business must be owned and controlled by one or more of the following groups: veteran, active-duty military, 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 of a service-connected disability	Less paperwork Fast turnaround Expanded eligibility Electronic application
CAPLines: Short-term/ Revolving Lines of Credit; Seasonal Contract Builders Standard/ Small Asset-Based	\$5 million (small asset based limited to \$200,000)	75% if more than \$150,000; 85% if total loan is \$150,000 or less.	Finance seasonal working capital needs; cost to perform; construction costs, advances against existing inventory and receivables, consolidation of short-term debts	Up to 5 years	Same as 7(a) except the Standard Asset-Based no fee restriction, but fee disclosure to SBA required	See 7(a)	See 7(a) Existing business	Funds short-term working capital. Various lines of credit Allows business to obtain contracts. Larger in size for business growth. Can be used to create current assets Can be used to finance existing current assets

Contact Information:

Contact Information:
Telephone 714.550.7420/Fax 714.550.7409

Information current as of June 2011

U.S. Small Business Administration
Santa Ana District Office
200 W. Santa Ana Blvd., Suite 700, Santa Ana, CA 92701

QUICK REFERENCE GUIDE TO SBA LOAN GUARANTY PROGRAMS

Program	Maximum Amount	Percent of Guaranty	Use of Proceeds	Maturity	Maximum Interest Rates	Guaranty Fees	Who Qualifies	Benefits to Borrowers
International Trade	\$ 5 million (Can be combined with Export Working Capital Program see below)	90% up to \$4.5 million maximum guaranty	IT loan must be used only for the acquisition of long-term, fixed assets. A separate working-capital loan may be used for working capital needs associated with international trade	Up to 25 years	Same as Regular 7(a)	No cap	Small businesses (see 7(a) for qualifications) engaged/ preparing to engage in international trade/adversely affected by competition from imports.	Long-term financing for land and building where assets are used to produce products for export.
Export Working Capital Program 1-page application, fast turnaround, may apply for prequalification letter.	\$ 5 million (may be combined with international Trade loan)	90% up to \$4.5 million maximum guaranty	Short-term, working-capital loans for exporters	Matched single transaction cycle or generally 1 year for line of credit.	No cap	See 7(a)	Small businesses 7(a) for other qualifications, those who need short-term working capital.	Short-term working capital for export needs Revolving or transaction based Allows specific financing for exporting without disrupting domestic financing and business plan
Export Express Lender approves. Minimal SBA paperwork.	\$500,000	90% for loans of \$350,000 or less 75% for loans greater than \$350,000	Proceeds for entering new export market or expand an existing export market	Same as SBA Express	Same as Regular 7(a)	Same as Regular 7(a)	Applicant must have been in operation, though not necessarily in export, for at least 12 months	Faster turnaround Streamlined process Easy-to-use line of credit Electronic application
Non-7(a) Loans Microloans Loans through nonprofit lending organizations; technical assistance also provided	\$50,000 (total loan amount to small business borrower)	Not applicable	Purchase machinery & equipment, fixtures, leasehold improvements; finance increased receivables; working capital. 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 the intermediary cost of funds.	No guaranty fee	Same as 7(a)	Direct loan from nonprofit intermediary lenders Fixed-rate financing Very small loan amounts Technical assistance available
504 Loans Provided through Certified Development Companies (CDCs) which are licensed by SBA.	504 loan maximum amount \$5 million; \$5.5 million for manufacturer; 10% energy reduction; or renewable energy	Project costs financed by: 504 Loan up to 40% Lender: 50% Equity by borrower 10-20%	Long-term, fixed-asset loans; Lender (non-guaranteed) financing secured by first lien on project assets. 504 loan provided from SBA 100% guaranteed debenture sold to investors at fixed rate secured by 2nd lien.	504 Loan: 10 - or 20-year term. Lender (unguaranteed) financing may have a shorter term.	Fixed rate on 504 Loan established when debenture backing loan is sold. Declining prepayment penalty for 1/2 of term.	0.5% upfront fee to SBA on the first mortgage amount. Ongoing guaranty fee on 504 loan (FY 2010) is 0.749% of principal O/S. Ongoing fee % does not change during term.	For profit businesses that do not exceed \$15 million in tangible net worth and do not have average net income over \$5 million for past 2 years.	Fees under 3% Long-term fixed rate Low down payment Full amortization; no balloons