



News Release

Seattle District Office

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SBA Lending Activity in FY 2017 Shows Consistent Growth

In SBA Seattle District, overall loan volume reaches nearly \$908 million, up 7.5 percent; Nationally, 7(a) loan volume reaches more than \$25.44 billion, 504 loan totals continue to increase, minority lending reaches \$9.58 billion

SEATTLE – The U.S. Small Business Administration (SBA) announces Fiscal Year 2017 (FY 2017) lending numbers showing increasing loan levels in small business lending through the 7(a) and 504 loan programs, as well as increases in lending to women, veterans and emerging communities.

“It’s exciting to report this is the highest level of dollars lent in recent history with the largest number of lenders participating locally ever,” SBA Seattle District Director Kerrie Hurd said. “Equally impressive is one-quarter of these loan approvals in the district were for \$50,000 or less. This is important because the smaller loan size is needed by many small businesses but often not offered by traditional commercial lenders.”

The following outlines national loan numbers and trends along with local lending highlights for the SBA Seattle District, which serves Washington state and northern Idaho with office locations in Seattle and Spokane.

Nationally, the SBA approved more than 68,000 loans in the 7(a) and 504 loan programs during FY 2017. These programs provided more than \$30 billion to small businesses.

Locally in the SBA Seattle District, the SBA approved nearly 1,700 loans in the 7(a) and 504 loan programs during FY 2017 totaling nearly \$908 million, a 7.5 percent increase in loan volume from the previous year.

SBA 7(a) Loan Program

The SBA’s flagship loan program, referred to as 7(a), provides small businesses with guaranteed loans covering the vast majority of small business needs including working capital, fixed and intangible asset financing, as well as refinance and export support through term and revolving loans.

During FY 2017, the enhancement of SBA’s guaranty facilitated more than \$25.44 billion combined across 62,430 loans under the 7(a) program. The SBA continues to streamline and improve access to its loan program for small loans and emerging communities, delivering more than \$5 billion in smaller loans of \$350,000 or less in FY 2017.

In the SBA Seattle District, the 7(a) program supported more than \$792 million combined across 1570 loans. \$131.6 million in smaller loans of \$350,000 or less were delivered; and, the average loan size was \$504,760.

7(a) loan volume in the SBA Seattle District went up 9 percent in FY 2017 compared to FY 2016.

SBA 504 Loan Program

504 loans provide small businesses with long-term fixed rate financing to acquire fixed assets, and are available through Certified Development Companies (CDCs), SBA's community-based partners. In FY 2017, the 504 program remained at zero subsidy and grew to \$5 billion in loan volume.

In the SBA Seattle District, the 504 program provided \$115 million in loans to local small businesses.

National SBA Lending Trends

During FY 2017, SBA lending had a significant positive effect on businesses that have historically faced greater challenges in obtaining conventional loans.

Minority business owners received a record combined \$9.58 billion in 7(a) and 504 approved lending, or 31 percent of the SBA loan portfolio.

7(a) lending to **women-owned businesses** – both majority and minority owned – grew in total dollar and volume. FY 2017 lending exceeded \$7.5 billion, an increase of \$298 million from FY 2016.

FY 2017 504 lending to women-owned businesses reached \$955.2 million, a \$277 million increase over the previous fiscal year.

Loans to **veterans** totaled \$1.15 billion for 7(a) and 504 lending.

There has been yearly growth in SBA loan programs, reflecting the important role of its lending partners. In FY 2017, the SBA added 241 **new lenders** that have contributed to a healthy loan portfolio and one of the lowest loss rates in SBA history.

At the end of the fiscal year, the SBA launched its online lender referral tool **Lender Match**. Lender Match is an upgrade to LINC (Leveraging Information and Networks to access Capital). This tool helps connect small business borrowers with participating SBA lenders.

Lender Match is available to all SBA 7(a) lenders nationwide, including nonprofit lenders that offer free financial advice and specialize in micro lending, loans in the SBA Community Advantage program, and the SBA CDC/504 loan program. Lenders previously signed up for LINC will continue receiving referrals on the Lender Match platform.

SBA Seattle District Lending Trends

During FY 2017, **minority-owned**, **women-owned**, and **veteran-owned** small businesses in the SBA Seattle District received \$374 million, \$131.2 million and \$18.2 million, respectively. Lending to minority-owned businesses increased by 17 percent from FY 2016.

Additionally, SBA saw record levels of activity in its Microloan program, with its microlending intermediaries providing financing to 55 businesses for \$1 million, a 19 percent increase in volume over FY 2016.

The SBA Seattle District worked with **more lenders than ever before** to provide more small businesses with access to capital. A record 117 lenders made at least one 7(a) guaranteed loan, and 35 lenders originated at least 10 7(a) loans during the year.

The SBA **export** loan program helps American small businesses reach customers in the global market and compete on an equal footing in countries around the world. In the SBA Seattle District, \$15.7 million in export loans went to local small businesses.

The following were the **top 10 industries** to receive SBA loans in the SBA Seattle District by loan volume and loan numbers. Industries are categorized using North American Industry Classification System (NAICS) codes:

Top 10 Industries by Number of Loans

	NAICS Code		Number of loans made	Loan Volume
1.	722511	Full-Service Restaurants	107	51.9 million
2.	722513	Limited-Service Restaurants	72	22.9 million
3.	721110	Hotels (except Casino Hotels) and Motels	66	155.8 million
4.	447110	Gasoline Stations with Convenience Stores	58	89.9 million
5.	621210	Offices of Dentists	36	20.5 million
6.	238990	All Other Specialty Trade Contractors	34	16.8 million
7.	541110	Offices of Lawyers	29	7.8 million
8.	484110	General Freight Trucking, Local	28	3.4 million
9.	236118	Residential Remodelers	26	3.5 million
10.	621310	Offices of Chiropractors	24	6.3 million

The following were the **top 10 SBA lenders** in the SBA Seattle District by number of loans:

Top 10 SBA Lenders by Number of Loans

	Lending Institution	Number of loans made	Loan Volume
1.	Banner Bank	170	23.6 million
2.	U.S. Bank National Association	151	40.2 million
3.	Wells Fargo Bank, National Association	125	36.6 million
4.	KeyBank National Association	100	44.7 million
5.	Washington Trust Bank	67	15.6 million
6.	Mountain West Bank	64	24.1 million
7.	JP Morgan Chase Bank, National Association	62	22.1 million
8.	Hana Small Business Lending, Inc.	40	27.9 million
9.	Heritage Bank	40	25.5 million
10.	Umpqua Bank	37	35.8 million

SBA Disaster Loans

During FY 2017, the SBA approved 27,263 disaster loans for a total of \$1.7 billion. That total includes 24,121 home disaster loans for a total of \$1.3 billion and 3,142 business disaster loans for a total of \$296 million.

The SBA processed 84,705 home loan applications and 10,882 business disaster loan applications – a total of 95,587 disaster loan applications processed.

In the SBA Seattle District, disaster loans are currently available for businesses affected by wildfires during this past summer. For more information, visit www.sba.gov/disaster.

For more information about SBA loan programs, financial assistance and other services, visit www.sba.gov.

About the U.S. Small Business Administration

The U.S. Small Business Administration (SBA) was created in 1953 and since January 13, 2012 has served as a Cabinet-level agency of the federal government to aid, counsel, assist and protect the interests of small business concerns, to preserve free competitive enterprise and to maintain and strengthen the overall economy of our nation. The SBA helps Americans start, build and grow businesses. Through an extensive network of field offices and partnerships with public and private organizations, the SBA delivers its services to people throughout the United States, Puerto Rico, the U.S. Virgin Islands and Guam. For more information visit www.sba.gov.

The SBA Seattle District serves Washington state and northern Idaho with office locations in Seattle and Spokane. SBA staff provides resources and services in three areas referred to as “the three C’s” – Counseling, Capital and Contracting. Visit www.sba.gov/wa for localized information including resource partners, lenders, events and workshops, success stories, news and updates, and other information aimed to help business start, grow and succeed.

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