

7(a) Loan Program Transcript

Introduction



Ready to learn about the SBA's 7(a) Loan program? Click Begin to start.

What is the 7(a) loan program?



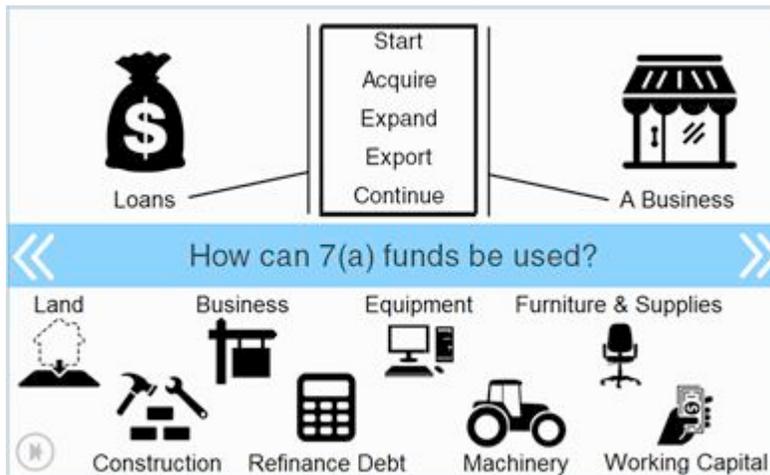
SBA's primary program, the 7(a) Loan Program, helps finance start-up and existing small businesses when they can't get financing from other sources or from a lender who won't make a loan without an SBA guarantee. It's SBA's most basic and popular loan program, offering flexibility, longer terms and potentially lower down payments compared to other financing options.

Who funds 7(a) loans?



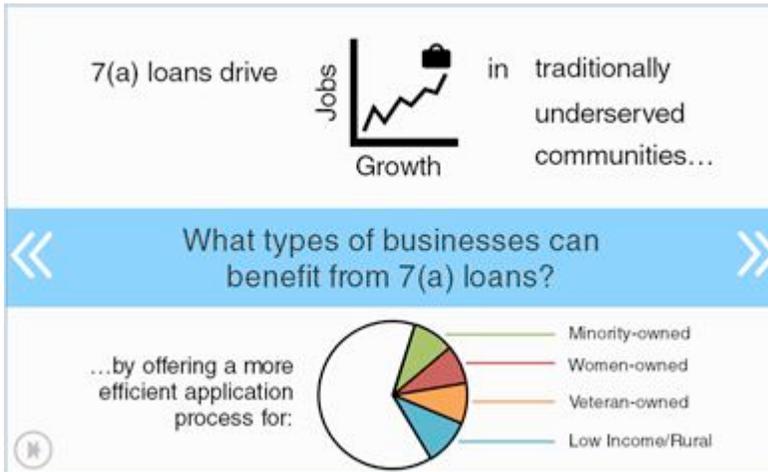
The SBA does not fund these loans directly, but banks receive a guarantee that the SBA will repay a portion of the loan if the business defaults on payments. This lets small businesses get loan amounts to fund startup costs, equipment, inventory and working capital.

How can 7(a) funds be used?



Loans made through the program may be used to start a new business or to acquire, expand, export or continue operating a current business. Specifically, they can be used to purchase new land or equipment, including construction costs or repairing existing capital, purchase an existing business, refinance existing debt, purchase equipment, machinery, furniture, fixtures, supplies or materials, fund short-and long-term working capital needs.

What types of businesses can benefit from 7(a) loans?



The 7(a) Loan Program also helps small businesses in traditionally underserved markets. To help drive growth and job creation, the SBA is committed to expanding small business access to capital in underserved communities. These initiatives offer a more efficient application process for minority-, women-, or veteran-owned business, or a company in a lower-income or rural area.

Who is eligible for 7(a) loans?



To be considered eligible for the SBA 7(a) Loan Program, businesses must operate for profit, have reasonable owner equity to invest, do, or propose to do business, in the United States or its possessions, and use other financial resources, including personal assets, before applying for a loan.

Who is eligible for 7(a) loans?

More information about the 7(a) Loan Program:

- 7(a) Loans Fact Sheet
- Export Loan Programs
- Application Checklist
- CAPLines
- SBA.gov

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For more information about the 7(a) loan program, check out these other resources on the SBA Partner Training Portal, or visit SBA.gov's 7a loan program page.