

## SBA 7(A) PRODUCT GUIDE

SBA 7(a) loans from \$30,000 – \$350,000 can be used for debt refinancing and working capital.

### SBA 7(A) GENERAL ELIGIBILITY

- Minimum 2 years in business
- U.S.-based business owned by a citizen or lawful
- Permanent resident who is at least 21 years old
- FICO of 660 or higher
- GDSCR/ BDSCR > 1.15x
- Minimum annual revenue requirement of \$250,000
- No outstanding tax liens
- No bankruptcies or foreclosures in the past 4 years
- No recent charge-offs or settlements
- Current on government-related loans

### WHAT CAN A SMALL BUSINESS USE FUNDS ON?

- General working capital
- Refinancing business debt
- Purchasing inventory
- Marketing
- Hiring employees

### GENERAL ELIGIBILITY

2 years in business (with corresponding tax returns), For-profit business, Proceeds: working capital, debt refinance, equipment purchases\*, Minimum annual revenue requirement of \$250,000, Individuals owning 20% or more of business must be US citizens or legal permanent residents, Individuals owning 20% or more of business cannot work for SBA and have no felonies, The borrowing business must not have defaulted on any government-backed loans

### CREDIT

Good personal credit - minimum personal credit of FICO 660, Business credit score (liquid credit) - 155 or greater, Public records search for business owners, No bankruptcy in the past 3 years, No foreclosure in the past 3 years, No open tax liens or outstanding judgments

### CASH FLOW

2 years of business and personal tax returns, YTD profit & loss and balance sheet, Business debt schedule, 6 most recent business bank statements

### RESTRICTED INDUSTRIES

- Agriculture or farming
- Lobbying activity or political activity
- Bail bonds
- Mining
- Private clubs
- Cannabis industry
- Mortgage servicing
- Real estate development Gambling
- Oil
- Wildcatting
- Religious teaching
- Lending oil exploration Residential
- Life insurance
- Pawn shops or vape shops

## BENEFITS

- You get great rates, long repayment terms, and low monthly payments with SBA loans.
- With a typical 10-year loan term and no prepayment penalty, the monthly payment on these loans is extremely competitive.
- In most cases, the only collateral required is a blanket lien on business assets and a personal guarantee.

