U.S. Small Business Administration

SBA Programs & Services

The SBA Advantage — Resources and Programs for Success
SBA 5 Pillars of Service to Small Business

Millions of entrepreneurs use SBA resources and programs to:
- Start or grow a business
- Effectively compete in the market place

SBA is primarily a guarantor of loans made by private and other institutions.

District Office, SBDC, WBC and SCORE

8(a), HUBZone & WOSB

The SBA does not offer grants to start or grow small businesses.
Do You Know the Financing Options Available from the SBA?

- Small Business Loans
- Loans for Land & Buildings
- Venture Capital Investing
- Export Assistance
- Disaster Assistance
## The 7(a) Loan Program

<table>
<thead>
<tr>
<th>7(a) Loan Program Details</th>
<th>7(a) Loan Program Maturities &amp; Interest Rates</th>
<th>7(a) Program Guarantee Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>- SBA's Primary Business Loan Program</td>
<td>- 5-10 years for working capital, machinery, equipment</td>
<td>- 2% on loans up to $150,000</td>
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<tr>
<td>- Broad eligibility requirements</td>
<td>- Up to 25 years for real estate, construction</td>
<td>- 3% on loans $150,001 to $700,000</td>
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<tr>
<td>- Wide range financing options</td>
<td>- Prime + 2.25% for loans of 7 years or less</td>
<td>- 3.5% on loans $700,001 to $1 million</td>
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<tr>
<td>- Maximum loan amount increased from $2 million to <strong>$5 million</strong></td>
<td>- Prime + 2.75% for loans over 7 years</td>
<td>- 3.75% on loans &gt; $1 million</td>
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<tr>
<td>- 85% guarantee on loans up to $150,000</td>
<td>- Rates can be higher for smaller loans</td>
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504/Certified Development Company

Program Details

• Maximum Loan Amount: increases from $2 million to $5 million

• 1.5% origination fees

• Maximum guaranty: 100% SBA’s portion

• Uses: Long-Term; Fixed Assets

• Maturity: Generally 10 - 20 years

• Maximum Interest: Fixed rate established when debenture backing sold
SBAExpress

General Details
- Maximum loan amount: increased from $350,000 to $1 million
- Maximum Guaranty: 50%
- Uses: revolving line of credit/term loan

Interest Rate
- Maximum interest: Prime +6.5% for less than $50,000
  Prime +4.5% for more than $50,000

Guaranty Fees
- Vary with amount/type of loan
Microloans

General Details

- Maximum loan amount: increases from $35,000 to $50,000
- No Loan Fees Applied
- Maturity: shortest term possible (6 years or less)
- Maximum Interest Rate: Negotiable with intermediary

Uses

- Purchase machinery, equipment, fixtures, working capital, leasehold improvements, increased receivables

For more information visit:
http://www.sba.gov/localresources/district/ny/ny/ny_nymicro.html
Advantage Loan Initiatives

Expanding opportunities for entrepreneurs and small business owners in underserved communities

Streamlined application for 7(a) loans up to $250,000

Guarantees:
• 85% on loans up to $150,000
• 75% on loans >$150,001

Small Loan Advantage
• Available to PLP participants across the country

Community Advantage
• Open to mission-focuses lenders (i.e. CDCs, Microloan intermediaries, etc.)
### International Trade

<table>
<thead>
<tr>
<th>Program</th>
<th>Description</th>
<th>Maximum Loan Amount</th>
<th>Maturity</th>
<th>Maximum Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Export Express</td>
<td>Helps small businesses develop or expand their export markets.</td>
<td>Increases from $250,000 to $500,000</td>
<td>5 to 10 years for working capital, 10 to 15 years for machinery and equipment and up to 25 years for real estate</td>
<td>Prime + 2.25% for loans of 7 years or less, Prime + 2.75% for loans over 7 years</td>
</tr>
<tr>
<td>Export Working Capital Program</td>
<td>Loans are targeted to small businesses that are able to generate export sales and need additional working capital to support these sales.</td>
<td>Increases from $2 million to $5 million</td>
<td>EWCP loans are typically issued for one year</td>
<td>Same as Export Express</td>
</tr>
<tr>
<td>International Trade Program</td>
<td>Offers term loans to businesses that plan to start or continue exporting or that have been adversely affected by competition from imports.</td>
<td>Increases from $2 million to $5 million</td>
<td>Maturity: 5 to 10 years for working capital, 10 to 15 years for machinery and equipment and up to 25 years for real estate</td>
<td>Same as Export Express</td>
</tr>
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</table>
SBIC Program

SBICs are licensed and regulated by the SBA, privately owned and managed investment firms that provide venture capital and start-up financing to businesses.

For more information visit:
www.sba.gov/localresources/district/ny/ny/ny_nysbic.html
Other Jobs Act Enhancements

**Alternative Size Standards**
- Increases alternate size standard to small businesses with less than $15 million in net worth and $5 million in average net income.

**Commercial Real Estate Re-Financing**
- Temporarily allows small businesses to re-finance owner-occupied commercial real estate mortgages in 504 Program.

For more information visit: [http://www.sba.gov/jobsact](http://www.sba.gov/jobsact)
Beyond SBA

Department of Treasury

- $30 billion for new Small Business Lending Fund
- Low-cost capital for community banks, with incentives to go beyond 2009 level
- $1.5 billion to State Small Business Credit Initiative:
  - NY to receive $55.3 million
**Government Contracting**

The U.S. government is the world’s largest buyer of products and services.

In 2009, it purchased over $425 billion dollars in products and services.

**Government-Wide Small Business Contracting Goals:**

<table>
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<tr>
<th>Percentage</th>
<th>Category</th>
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<tbody>
<tr>
<td>23 Percent</td>
<td>For small businesses in general</td>
</tr>
<tr>
<td>5 Percent</td>
<td>For SDB’s</td>
</tr>
<tr>
<td>3 Percent</td>
<td>For HubZone businesses</td>
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<tr>
<td>3 Percent</td>
<td>For Service Disabled Veterans</td>
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</table>

*Both federal contractors and prime contractors are looking for the above small business categories.*
8(a) Business Development Certification Program

Provides a broad scope of training and assistance to socially and economically disadvantaged firms.

Must be in business for at least two years with a product or service that the federal government procures.

HUBZone: (Historically Underutilized Business Zones)

Provides federal contracting opportunities for qualified small businesses located in distressed census tract areas.

Visit [www.sba.gov/HUBZone](http://www.sba.gov/HUBZone) for more information.
Women-owned Small Business (WOSB)

- **83** industries in which women-owned small businesses are under-represented

- Set aside specified contracting opportunities for certified WOSB’s:
  - Manufacturing contract value set aside: up to $5 million
  - All other contract value set aside: up to $3 million

- Assists federal agencies in achieving the existing statutory goal of 5% to WOSB

- For more, visit [www.sba.gov/wosb](http://www.sba.gov/wosb).
Business Counseling and Training

The SBA and its resource partners: SCORE: Counselors to America’s Small Business, Small Business Development Centers, and the Women’s Business Centers provide free business counseling and training.

SBDCs 583,770 + SCORE 380,357 + WBCs 155,383 = 1,119,510 counseled and trained

*Figures are from 2009
Disaster Assistance

- SBA provides disaster assistance via affordable loans to homeowners, renters and businesses.
- SBA Disaster Preparedness
SBA on the Internet

Easy-to-find information to help small businesses start, grow & succeed.

Small Business Training Network – an online virtual campus offering free courses, workshops and resources.

Follow us @
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- www.twitter.com/SBAAatlantic

www.sba.gov/ny/ny