



U.S. Small Business
Administration

Powering the American Dream



U.S. Small Business
Administration

Supporting **small businesses** for 70+ years



Plan
your business



Launch
your business



Manage
your business



Grow
your business

The **U.S. Small Business Administration** makes the American dream of **business ownership a reality**.

We **empower entrepreneurs** and small business owners with the **resources and support** they need to start and grow their businesses and **help with recovery** nationwide after a disaster.

Created in 1953, the SBA is the **only go-to resource and voice** for small businesses backed by the strength of the **federal government**.

How We Help: Four areas supporting success

The SBA is the **go-to resource** for access to capital, valuable resources, business know-how, and the right expertise for **every stage** of your business lifecycle.



Free business counseling



SBA guaranteed business loans



Home & business disaster loans



Federal government contracting

[Dream Big - Everyone starts small



YANKEE CANDLE



that was easy.™

SBA's Learning Center



How to write a business plan



Legal requirements



Financing options



Young entrepreneurs

- ❖ The SBA offers a variety of online courses to help you start and run your business.
- ❖ Learning Center's training site provides:
 - Free online courses and workshops
 - Learning tools
 - Direct access to electronic counseling and other forms of technical assistance

www.sba.gov/learning-center

[SBA Resource Partners



SCORE

<https://www.score.org/find-mentor>



Massachusetts Small Business Development Center

www.msbdc.org/rfc



Veterans Business Outreach Center

www.vbocnewengland.org



Mass Export Center

www.msbdc.org/export

[SCORE Resource Partner Network



SCORE: www.score.org
SCORE volunteers are statewide in 6 chapters



Experienced Volunteers Offering:

- Expert business counseling
- Marketing advice
- Business plan preparation
- Loan application assistance
- Online or in person counseling
- **FREE AND CONFIDENTIAL**



Boston.....617-565-5591
www.boston.score.org

Cape Cod 508-775-4884
www.capecod.score.org

Northeastern MA ...978-922-9441
www.scorenemass.org

Southeastern MA....508-587-2673
www.sema.score.org

Western MA 413-785-0314
www.westernmassachusetts.score.org

Worcester 508-753-2929
www.worcester.score.org

The SBDC Resource Partner Network



Massachusetts SBDC: www.msbdc.org

Paid advisors across the state in 6 regional centers.



MSBDC Network:

- ✓ Free and Confidential
- ✓ Business plan and loan application assistance
- ✓ Combines resources of SBA, local government, private sector and academia
- ✓ Export and government contracting assistance.
- ✓ Typically located at colleges and universities: U-Mass Amherst, Salem State, Clark University, and Mount Ida

Contact MSBDCs:

Berkshire Regional Office 413-499-0933

Greater Boston Regional Office 617-243-1386

Central Regional Office 508-793-7615

Northeast Regional Office 978-542-6343

Southeast Regional Office 508-673-9783

Western Regional Office 413-577-1768

Massachusetts Export Center 617-973-6610

[Veterans Business Outreach Centers

Veterans Business Outreach Center of New England

Coverage: Connecticut, Rhode Island,
Massachusetts, Vermont, New
Hampshire & Maine

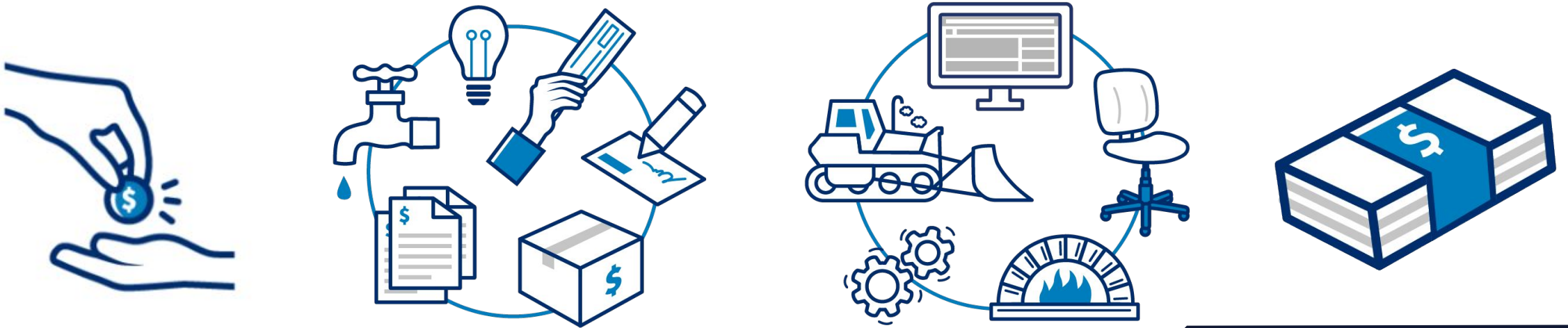
Website: www.vbocnewengland.org

Telephone: 844-404-2171



Financing your Business

SBA Capital Access Solutions



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SBA Business Loans to Start, Grow and

Expand

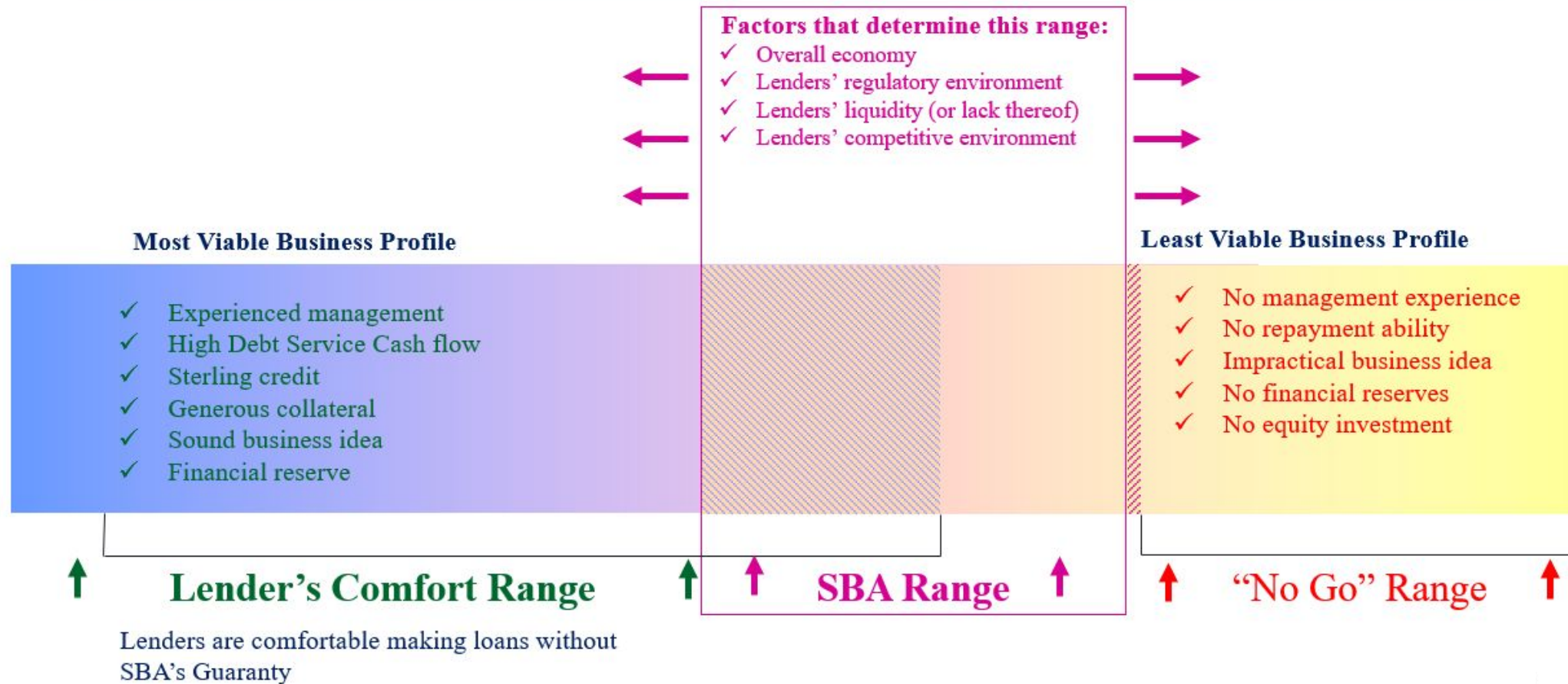
SBA works with over 150 approved lenders in Massachusetts to offer **microloans** and **SBA-backed loans** with:

- Competitive terms
- Longer Maturities
- Lower Equity Contribution
- Flexible overhead requirements
- Counseling and education

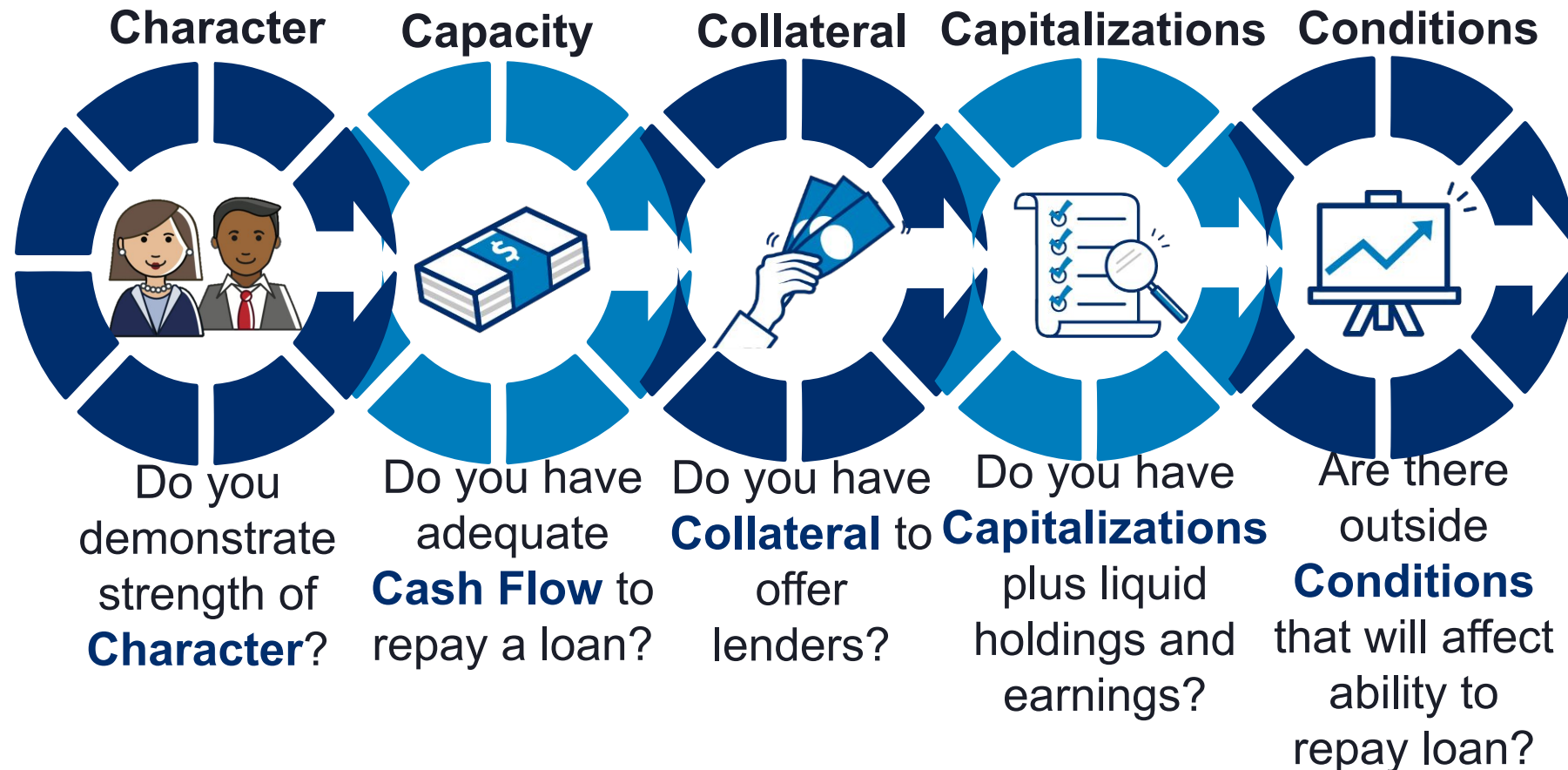


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[Role of SBA's Guaranty



5 C's of Lending – What Lenders Look for?

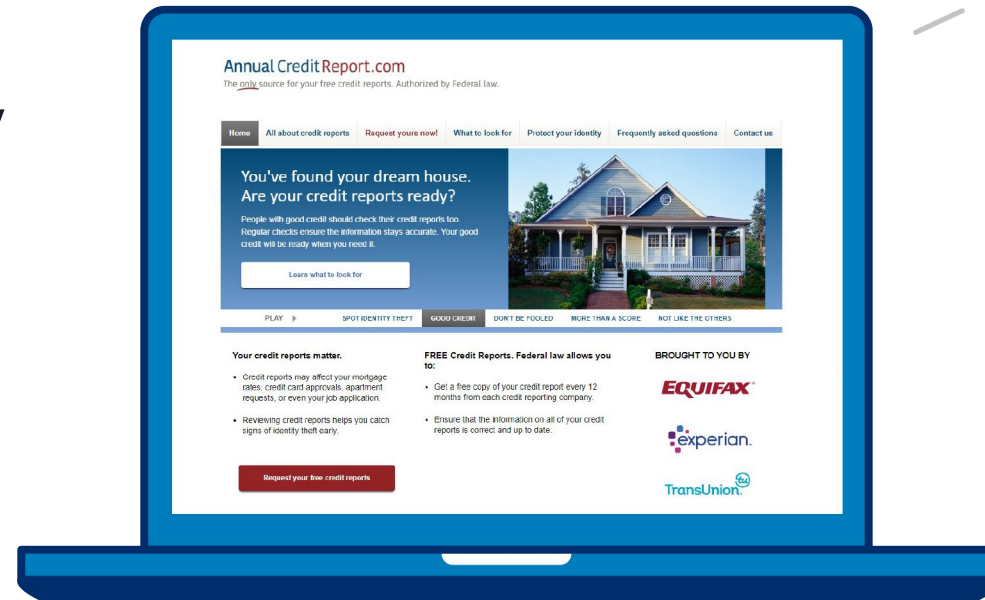


[Personal Credit and Character



How do you find out how you will look to a lender?

- Order a copy of your credit history and FICO® score
- Largest credit reporting agencies
- Equifax
- TransUnion
- Experian

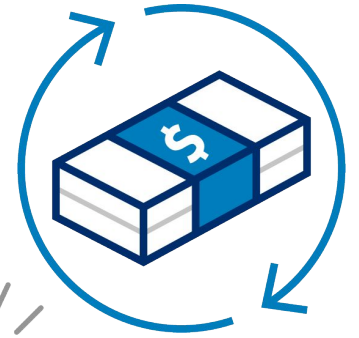


All are required to provide a free report every year – www.annualcreditreport.com

[Capacity / Cash Flow

Does your business make enough money to pay all its bills including the new loan.

The amount of money that you make or expect to make (“cash flow”) should be sufficient to pay all expenses and allow a little extra in case something unexpected comes up.



Takeaway

This is the most important of the 5 C's because it measures whether you can pay back the loan.

[Capacity / Cash Flow



If you are an existing business – lender will look at:

- Historic Cash Flow
- Business Financial Statements
- Minimum Two Years of Tax Returns
- 3-5 Years of Financial Projections

[Collateral / Guarantees



Something of value that you own or will buy with money from the loan that you can “pledge” to secure a loan

Most lenders also require the business owners to **personally guarantee** the business loan

=

a promise to **personally repay** the business loan even if the business fails.



[Capital / Contribution

How much will you be investing in your business?
Do you have “Skin in the game?”



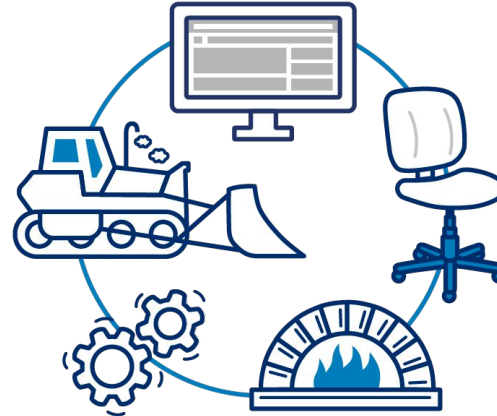
[Conditions

Loan conditions that a lender considers
when approving your loan



How Can an SBA-backed Loan Help You?

- Launch, grow, or repair a start-up
- **Start or purchase a small business**
- Access revolving credit or working capital for day-to-day expenses



- Purchase, renovate, or expand facilities
- Purchase inventory, equipment, or machinery
- Purchase land or real estate
- Export a product or service

[When Do Lenders Use the SBA Guaranty?

- New Ownership/Business Acquisition
- Start-up or certain types of businesses
- Collateral may be inadequate to meet normal underwriting
- Longer maturities are needed



[7a Guaranteed Loan

Made by private lenders, with SBA guarantee.

SBA helps the bank get to the YES decision.

Maximum loan size \$5 million

- 85% guaranty on loans below \$150,000
- 75% guaranty on loans above \$150,000



SBA EXPRESS

- Term loans or revolving lines of credit, up to \$500k
- SBA guarantee of 50% up to \$500k
- no fees for veteran owned businesses

7(a) loans may be used to:

- Purchase machinery, equipment, fixtures, buildings, land
- Finance receivables and augment working capital
- Refinance existing debt (with compelling reason)
- Finance seasonal lines of credit; and/or
- Expand, renovate facilities
- Construct commercial buildings

7(a) loans | U.S. Small Business Administration

504 Loans in a Nutshell: Think BIG!

- Supports the acquisition or refinance of long-term fixed assets (Real Estate &/or Equipment)
- Offers up to 90% Financing
- SBA Loan terms are fully amortizing 10, 20 and 25 years. (No balloon payments)
- Interest rates are fixed for the full term
- Program administered through local Certified Development Companies (CDC's) in partnership with banks and credit unions

Benefits for Borrower

1. Below-market fixed interest rates
2. Low down payment preserves working capital (usually 10%)
3. Extended amortization provides lower monthly payment (up to 25 Year Amortization)
4. Borrower can finance most closing fees
5. Collateral is typically limited to project assets

[504 loans](#) | U.S. Small Business Administration



How?

Apply through SBA approved certified development company. They take care of all SBA paperwork!

SBA Micro-Loans

Direct loans up to \$50,000

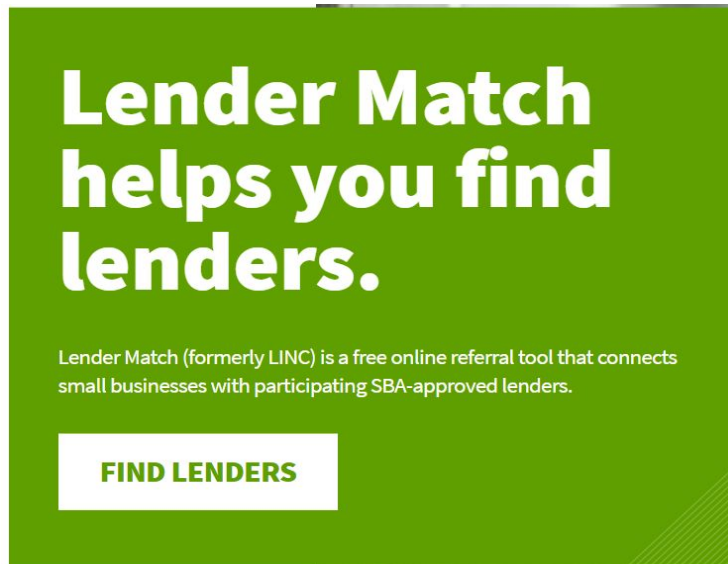
- Interest rate of 8 -13% fixed & up to 7 years to repay (negotiated)
- Often includes technical assistance
- Funds can be used for:
 - Working Capital
 - Inventory
 - Machinery & equipment
 - Furniture & fixtures
 - Refinancing of business
 - Credit card debt



[Microloans | U.S. Small Business Administration](#)

[Helpful Loan and Lender Tools

Lender Match



MA District Office Lender Report



NO COST TO THE LENDER OR SMALL BUSINESS

[Lender Match

1.

**Describe
Your Needs**



2.

**Interested Lenders
Reply Within 2 Days**



3.

**Talk to
Lenders**



4.

**Apply for a
Loan**



Find an SBA-approved lender that's right for you by visiting
SBA.gov/lendermatch

Stay Connected

SBA Links & Contacts



Email: MassachusettsDO@sba.gov



Call: (617) 565-5590



Follow the SBA on X: [@SBAgov](#),
[@SBA_MA](#)



Follow us on LinkedIn: [SBA Massachusetts District Office: Overview | LinkedIn](#)



Visit the SBA Massachusetts District Office webpage at: www.sba.gov/MA



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Questions?



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