



Anthony Allen's Guide to SBA Loans

Anthony Allen

President



| Message from Anthony Allen

Thanks for taking the time to review this short brochure about SBA loan options. The SBA 7A and SBA 504 programs provide some of the best deals for small businesses because of the added security afforded to lenders by the government guarantee. The rates are reasonable and the terms are long---an excellent combination of benefits!

Many small businesses are rejected for SBA loans because they don't have the help of a professional in assembling their materials and submitting the package to the right lender. Each SBA lender has their own credit criteria and credit box. As a result, an application denied by one bank could very well be approved by another.

Please feel free to reach out if you would like to discuss how an SBA loan might help your business.

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President

Antson Enterprises / Allen Capital Funding

| Basic Eligibility for SBA Programs

Must be a for-profit business located in the U.S.

Must be at least 51% owned and controlled by persons who are U.S. Citizens or permanent residents.

Must be classified as a small business under SBA guidelines.

| The SBA 7A Program

An SBA 7A program loan can be used for any of the following purposes:

- 01 Debt consolidation
- 02 Business acquisition/partner buy-out
- 03 Working capital including inventory and supplies
- 04 Real estate acquisition/renovation - must be occupied by the business.
- 05 Franchise start-up
- 06 Leasehold improvements
- 07 Mixed Use - Will qualify for 25-year term if at least 51% real estate-based.

SBA 7A Loan terms are generally 10-years and the rates are mostly variable---set at prime + 3 points. Loans involving real estate can have terms of up to 25 years. The owner's FICO score should be at least 650 and cash flow must show the ability to support the proposed loan payment along with other obligations. The maximum loan amount is \$5M.

| The SBA 504 Program

An SBA 504 program loan can be used for any of the following purposes:

- Land and building acquisition (should be owner occupied with limited exceptions).
- Construction and building renovation
- Purchase of machinery & equipment
- Debt refinance related to real estate or equipment
- Professional fees, furniture & fixtures, and other project expenses

The terms are generally 25 years (some are shorter) and the rates are based on current market conditions (10-year Treasury Rates). Rates offered by the portion of the loan provided by the SBA are fixed, but the private lender's portion can be variable. The owner's FICO score should generally be at least 650 and cash flow must show the ability to support the proposed payment along with other obligations. The maximum loan amount is \$5.5M.

| Why Use Allen Capital Funding (ACF) for your SBA ?


- 01 ACF is not limited to one lending source and will place your application where it has the best chance for approval.
- 02 ACF assists with the supporting documentation that frames the merits of your application and also works hard to show how any deficiencies in your application can be mitigated.
- 03 In the event of a denial with one lender, ACF gets feedback from the lender, regroups, and endeavors to submit elsewhere.

| Company Descriptions

Antson Enterprises and Allen Capital Funding are both owned and operated by Anthony Allen. Antson assists companies with debt management and Allen Capital Funding assists with capital.

| Resources

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