

SWS | **SOUTHWEST**
GROUP | **SECURITIES, FSB**
A Full Service Bank
Building what you value.®

SBA 7(a) Loan Program

Project Amount	\$250,000 to \$5,000,000
Use of Proceeds	Commercial real estate (acquisition, construction, refinance, expansion), equipment, furniture, fixtures, inventory, leasehold improvements, working capital
Eligibility	Net worth below \$15 million and average net income for previous 2 years less than \$5 million
Terms	Up to 25 years for commercial real estate Up to 10 years for equipment and business acquisitions Up to 7 years for working capital All loans are fully amortized over the term of the loan (no balloon)
Interest Rates	Variable rate based on a spread over the WSJ prime rate; maximum spread cannot exceed WSJ Prime + 2.75%
Loan to Value	Up to 90%
Fees	One time SBA loan guarantee fee based upon guaranteed amount. No loan origination fee.
Equity Injection	As low as 10% on multi purpose commercial real estate
Other Costs	Real estate and equipment appraisals, environmental reports, business valuations, customary legal and closing costs as applicable
Prepayment Penalty (PPP)	5% the first year, 3% the second, 1% the third Payments up to 25% of the outstanding loan balance will not incur a PPP (on terms of 15 years and greater).
Recourse	Personal guarantees required for all individuals owning 20% or more. Corporate guarantees may be required for affiliated companies.
Benefits for Borrowers	<ul style="list-style-type: none">▪ Finance up to 90% of the project for multi purpose commercial real estate▪ Low equity contribution helps preserve working capital▪ Fully amortizing loan (no balloon)▪ Some soft costs may be rolled into the project financing