

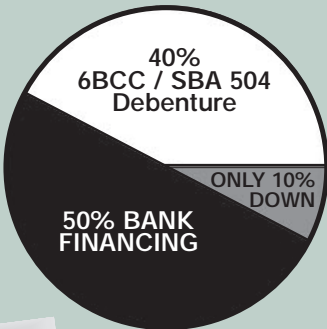


THE ARKANSAS CAPITAL CORPORATION GROUP

“Empowering Entrepreneurs”

SBA QUICK REFERENCE

	 SBA 504 LOAN (Real Estate & Equipment)	 SBA 7(a) LOAN (General Purpose)
QUALIFYING PROJECT SIZE	\$125,000 to \$10,000,000	\$50,000 to \$2,000,000
INTEREST RATE	<ul style="list-style-type: none"> ✓ Fixed ✓ Fully Amortizing Over Term ✓ Below-Market Rates 	<ul style="list-style-type: none"> ✓ Floating Over Prime ✓ Adjustable Quarterly ✓ Max 2.75% Over Prime
COLLATERAL	<ul style="list-style-type: none"> ✓ Collateral requirements for 504 loans are less stringent than for 7(a) because of the economic development purpose of the program. Generally, collateral will be limited to a subordinate lien on the project assets being financed. 	<ul style="list-style-type: none"> ✓ To the extent that worthwhile assets (both those financed with loan proceeds and those available from other sources) are available from either the applicants or principals of the applicant, adequate collateral is required.
STANDARD LOAN STRUCTURE		<ul style="list-style-type: none"> ✓ Up to 90% financing available, fully funded through ACC, with possible participations sold to local lending institutions.



WHY USE SBA?

- ✓ 90% Financing Available
- ✓ Pre-Qualification Available
- ✓ 20-25 Year Amortization / Term
- ✓ True Amortizing Debt - No Balloons or Demand Features

For more information about SBA loan programs, please contact our office nearest you.

800.216.7237 LITTLE ROCK
800.705.9295 FAYETTEVILLE
888.726.9229 JONESBORO

www.arcapital.com

	 SBA 504 LOAN (Real Estate & Equipment)	 SBA 7(a) LOAN (General Purpose)
DO I QUALIFY?	<ul style="list-style-type: none"> ✓ Business Net Worth Not to Exceed \$7 Million ✓ Average Net Profit for Two Consecutive Years Not to Exceed \$2.5 Million After Taxes 	Generally* <ul style="list-style-type: none"> ✓ Retail – less than \$6,000,000 in gross revenue ✓ Wholesale – less than 100 employees ✓ Manufacturing – less than 500 employees ✓ Construction – less than \$12,000,000 in gross revenue ✓ Professional Services – less than \$6,000,000 in gross revenue.
SBA GUARANTY FEE	<ul style="list-style-type: none"> ✓ 2.65% of the 6BCC/SBA504 Debenture (Financed in Loan) 	<ul style="list-style-type: none"> ✓ 2% to 3.75% of the guaranteed portion of the loan, which is usually 75% (Financed in Loan & Qualified Deduction on State Income Tax)
LOAN PURPOSE	<ul style="list-style-type: none"> ✓ Purchase, Construct or Expand a Real Estate Facility (60% Owner Occupancy Required) ✓ Purchase Equipment 	<ul style="list-style-type: none"> ✓ Expand, Acquire or Start a Business ✓ Purchase or Construct Real Estate To Be Used in the Business ✓ Refinance Debt ✓ Buy Equipment ✓ Provide Working Capital ✓ Construct Leasehold Improvements ✓ Inventory
TERM / AMORTIZATION	<ul style="list-style-type: none"> ✓ 10 Year Fully Amortized ✓ 20 Year Fully Amortized ✓ No Balloon Payment ✓ No Demand Features 	<ul style="list-style-type: none"> ✓ 20 to 25 Years – Real Estate ✓ 7 to 10 Years – Equipment ✓ 5 to 7 Years – Working Capital ✓ All Loans are Fully Amortized ✓ No Balloon Payment
DOWN PAYMENT / LOAN-TO-VALUE	<ul style="list-style-type: none"> ✓ 10% of Eligible Project Costs for Established Businesses ✓ 15% of Eligible Project Costs for New Businesses or Limited Use Properties ✓ 20% for New Businesses & Limited Use Properties Combined ✓ Minimum Injection for Equipment is 15% 	Minimum Down Payment: <ul style="list-style-type: none"> ✓ 20-30% for Start-Up or Business Acquisition ✓ 10-20% for Expansion of Existing Businesses
PROJECT SIZE	\$125,000 to \$10,000,000	\$50,000 to \$2,000,000