



U.S. Small Business Administration

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The
SBA

Advantage

Your small business resource.



Helping small businesses
start, grow and succeed.

Resources and Programs for Success



The SBA Advantage

Millions of entrepreneurs use SBA resources and programs to:

- Start or grow a business
- Effectively compete in the marketplace

*Have you explored your
Small Business Advantage?*

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Business Development

- Programs for women, disadvantaged individuals, service-disabled veterans and others
- Assistance to businesses located in disadvantaged areas competing for government contracts
- Hub Zone Advantages
- Mentor/Protégé Program
- Management and/or technical assistance

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www.business.gov

Business.GOV
THE OFFICIAL BUSINESS LINK TO THE U.S. GOVERNMENT

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The official resource for businesses to find:

- Compliance information
- Forms
- Contacts at government agencies

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General Evaluation Criteria for Ability to Perform on a Contract

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1. Experience & Performance History –and/or-
2. Technical Proficiency –or-
3. Teaming for Capacity reasons (Joint Ventures, Mentoring, etc.)
4. Financial Capability
 - a. Historical
 - b. Projected
5. Financing - Ability to Access Capital
 - a. Working Capital
 - b. Lines of Credit
 - c. An “Angel”
6. If found to not have “Capacity” by awarding entity
 - a. SBA’s Certificate of Competency
 - b. Still Hinges on all of the above

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Financing-Small Business Advantage

SBA financial assistance programs can help small businesses:

- Start-up
- Grow/Expand
- Export goods and services
- Recover from a disaster



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

The SBA does not offer grants to start or grow small businesses.

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Financing – Small Business Advantage

WIIFM – The Small Business?

- Longer term for improved cash flow!
- “Reasonable” equity requirement!
- Improved servicing flexibility!
- Loan availability for start-ups and abnormal collateral ventures!

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Financing-Small Business Advantage

SBA's Primary Loan Programs

- **SBA 7(a) Guaranteed Loan Initiatives**

- Small/Rural Lender Advantage
- SBA Express
- Patriot Express - for career transition military, veteran borrowers and spouses
- Community Express – with Technical Assistance
- Export Express – for exporters
- Export Working Capital – for exporters

- **SBA 504 Guaranteed Loan Program**

- For Real Estate and Long-Lived Assets
- Administered on behalf of SBA by CDCs

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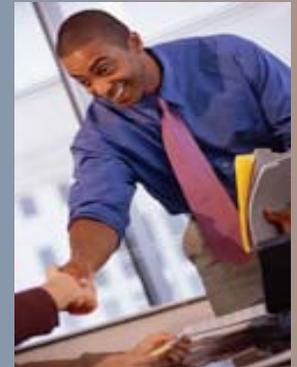
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Financing – Small Business Advantage

What are Lenders and the SBA looking for in order to finance a Small Business?

- Feasible business plan
- Management expertise and commitment necessary for success
- Sufficient funds, including SBA guaranteed loan, to operate the business on a sound financial basis
- Adequate equity invested in the business
- Sufficient collateral
- Ability to repay the loan on time from the projected operating cash flow
- **Owners and operators of good character**



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Financing – Small Business Advantage

Three Main Factors for eligibility are:

- Type of Business:
 - For Profit
 - Some Franchises: check www.franchiseregistry.com or call District Office for assistance
 - Mostly Owner-Occupied
 - Non-speculative, Non-Investment, Not Illegal, No Gambling, No Lending Activities, No Pyramids
- Size of Business:

Must meet SBA Size Standards as a small business. General maximums (by NAICS code) are:

 - Construction - from \$7m to \$33.5m
 - Manufacturing – from 500 to 1,500 employees
 - Wholesaling – 100 employees
 - Service – from \$7m to \$35.5m
 - Retail – from \$7m to \$35.5m
 - Agriculture – from \$750k - \$10.5m
- Purpose of Loan:
 - Most Biz Activities, except speculative activities and/or R&D

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Financing – Small Business Advantage

Terms of Loans

- Working Capital – 7 to 10 yrs
- Building/Land – up to 25 yrs
- Purchase of Business Assets – useful life of items
 - Machinery
 - Equipment
 - Furniture/Fixtures
 - Leasehold Improvements
- Mixed Use – weighted average or up to longest term available for largest asset class

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Financing - 7(a) Lenders

Participating SBA 7(a) Lenders

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- 2009 NM Small Business Resource Guide
 - www.sbaguides.com/pdf/english/newmexico.pdf
 - Pages 41-46
- NM District Office Quarterly Lender Rankings
 - www.sba.gov/nm
 - Click on “Financing” in sidebar on right of page

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Financing – Other Sources

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- New Mexico Community Lenders
 - WESST (designated SBA Microlender)
 - The Loan Fund (SBA TA provider - CX loan program)
 - ACCION New Mexico
- Other Governmental Lenders
 - NM Finance Authority – “SMART Money”
 - USDA RD – B&I Guarantees, Renewable Energy Loans/Guarantees & Revolving Loan Funds
 - Check w/ local RD office
 - Tribes, Pueblos, Nations – loan funds for own members
 - Case-by-Case Basis
- Venture Capital/Equity Investors
 - State of NM EDD list:
www.edd.state.nm.us/businessAssistance/financialAssistance/



Small Business Training Network

www.sba.gov/services/training

- Training any time & any where with computer and Internet access
- Internet-based training site provides:
 - Free online courses and workshops
 - Learning tools
 - Direct access to electronic counseling and other forms of technical assistance



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Your SBA

For more information about
your local SBA resources go to:

U.S. Small Business Administration

www.sba.gov/localresources

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Your

LOCAL
RESOURCES





Your SBA – NM District Office

General Questions?

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SBA New Mexico District Office

625 Silver SW, Suite 320

Albuquerque, NM 87102

www.sba.gov/nm

505-248-8225

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Toll Free NM Small Business Hotline:

1-800-726-3632,

select Option 2, followed by selection of Option 3.

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