

U.S. Small Business Administration



Your Small Business Resource

Take the Mystery out of SBA Loans

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How do we help entrepreneurs?

- Financing
- Technical assistance and counseling
- Government contracting
- Advocacy
- Disaster assistance

So, why small business?

- **Over the past 20 years, Nebraska has seen a decided shift toward small business growth, and away from job growth in bigger businesses.**
 - **From 1992 to 2001, Nebraska saw a jump of nearly a quarter of a million jobs.**
 - **But from 2002 to 2008, we saw a loss of nearly 84,000 jobs**
 - 62,000 of those from businesses with greater than 500 employees.

On the other hand:

- From 1992 to 2001, Nebraska saw a growth of 78,000 jobs from small businesses (those less than 100 employees)
- And from 2002 to 2008, we saw an increase of another 50,000 from small businesses (those less than 100 employees).

Source: Nebraska Workforce Development

Nebraska District Office

In Fiscal Year 2011, we helped our entrepreneurs to:

Obtain \$167.5 million in 581 SBA loans;

Win tens of millions in government contracts for 8(a) firms;

As a result, companies hired more than 2,000 people



Bankers and borrowers

Banker

- Conservative by nature
- Observes the results of others in the market
- Lacks technical knowledge of the business

Borrower

- Riskier by nature
- Observes the market opportunity and how they can make a profit
- Generally has a strong technical knowledge base of the business

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Nebraska District Office

Financing

- **What are banks looking for?**
 - Payment history (35%)
 - Amounts owed (30%)
 - Length of credit history (15%)
 - New credit (10%)
 - Types of credit used (10%)

Business Plan

A good one should have:

- Mission statement and goals.
- Basic research on the industry and your market position.
- Where are funds for the project coming from and where will they be spent?
- How will your operations achieve your goals?
- Include a breakeven analysis by sales and units sold by the time period.
- Have a backup plan.

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Your Small Business Resource

Financing

- **SBA Loan Guarantee Program**

- Guarantees the loan for the bank
- Helps start-ups and businesses with little collateral
- SBA loans have been made through 90 banks alone this year.
- Every bank in the state can do business with the SBA.

Financing

- **Why are guarantee loans important?**
 - Allows lenders to diversify lending portfolio
 - Guaranty amount doesn't count against lending limits
 - Interest rate is negotiated between the borrower and lender, capped by the SBA.

What does the SBA consider unreasonable terms in debt restructuring?

- **Term Debt with Demand Feature or Balloon Payment**
- **Debt with Interest Rate Over SBA's Maximum**
- **Credit Card Debt**
- **Over-collateralized Debt**
- **Revolving Lines of Credit**

SBA Guaranteed Loans

7(a) SBA's Primary Loan Program

- Small business owners meet with their lenders
- Lender determines SBA support is needed
- Lender certifies it cannot provide funding on reasonable terms without SBA guaranty

SBA may guarantee

- Up to 85% of a loan of \$150,000 or less
- 75% on loans greater than \$150,000.

FEES

2 to 3.75 percent on the guarantee amount (sliding scale) depending on the size of the loan.

SBA Guaranteed Loans

Express Loans

- **SBA Express:** \$350,000 loan amount, SBA guaranty is 50 percent.
- **Patriot Express:** \$500,000, guaranty follows 7(a) guidelines, business must be at least 51 percent owned by a veteran (spouse or widow also qualifies).

SBA Guaranteed Loans

Small Loan Advantage

- Open to Preferred Lender Program banks and credit unions
- Up to \$250,000 -- same guarantee terms as 7(a)
- Most applications approved within 5-10 days
- Two-page application for borrowers

Community Advantage

- Also up to \$250K with same terms as 7(a)
- Non-profit lenders expected to maintain at least 60 percent of SBA portfolio in underserved markets

SBA Guaranteed Loans

- **Rural/Small Lender Advantage:**
Streamlined process for \$350,000 following the 7(a) program guidelines for the guaranty.

SBA Guaranteed Loans

504 loans

Designed as an economic development program to support small business growth

Helping communities with:

- Business expansion
- Job creation

Provides long-term, fixed-rate, subordinate mortgage financing for acquisition and/or renovation of capital assets.

- In some circumstances can be used to refinance existing commercial debt without fulfilling requirement of expansion or job growth

Microloans

Omaha Small Business Network

24th and Lake, Omaha

(402) 453-5336 x160

Rural Enterprise Assistance Project (REAP)

Monica Braun

(402) 643-2673

Community Development Resources

Lincoln

(402) 436-2386

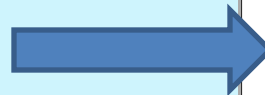
Government Contracting

SBA programs assist specific groups in securing federal contracts:

These certifications provide eligibility to receive special procurement opportunities:

- Women-owned Small Business
- Service-Disabled Veteran-owned Small Business
- Veteran-owned Small Business (for Veteran's Administration procurements and subcontracts).

Begin your registration here, at www.ccr.gov



The screenshot shows the Central Contractor Registration (CCR) website homepage. The header includes the title 'Central Contractor Registration' and a navigation menu with links for 'CCR Home', 'CCR Search', 'Federal Agency Registration', 'News', 'Release Notes', 'Request Data Access', and 'Help'. Below the header, there are tabs for 'Contractors', 'Grantees', 'International Registrants', 'Small Businesses', 'Security Notes', and '599,545 Active Registrants'. The main content area features a 'Welcome to Central Contractor Registration (CCR)' message, a 'Log in to CCR' section with 'User ID' and 'Password' fields and a 'Log In' button, and a 'Create New Registration' section with a 'Start New Registration' button. A blue arrow points from the text 'Begin your registration here, at www.ccr.gov' to the 'Start New Registration' button. The footer includes 'CCR News and Announcements' and 'CCR Active Registrations Over Time'.

Procurement Technical Assistance Centers

- Work with federal agencies to identify prime contracting opportunities.
- Recommend reserving procurement for competition among small businesses.
- Provide small business sources to federal buying agencies.

Identifying Contracting Opportunities

- Announces available business opportunities
- Identifies contracts over \$25,000
- Government uses simplified procedures for purchases between \$3,000 and \$100,000.
- These purchases are generally reserved for small businesses.

Go to: www.fbo.gov



The screenshot displays the FEDBIZOPPS.GOV website. At the top, there is a navigation bar with links for Home, Getting Started, General Info, Opportunities, Agencies, and Privacy. Below this is a search bar with the text "Search more than 24,100* active federal opportunities." and a search button. The search criteria include Posted Date (Last 90 Days), Set-Aside Code (Any), Place of Performance (Any State or Territory), Type (Any), Keyword / Solicitation #, and Agency. There are also links for "View Opportunities", "Register How", "Password Reminder", and "Recovery FAQs" for Buyers / Engineers, and "Find Opportunities", "Register How", "Password Reminder", and "Recovery FAQs" for Vendors / Citizens. On the right side, there is a section for "RECOVERY" with links for "SEARCH RECOVERY OPPORTUNITIES", "SEARCH RECOVERY AWARDS", "FBO RECOVERY REPORTS", "USER GUIDES", and "DEMONSTRATION VIDEOS".

Outreach events

Procurement workshops

Third Thursday of each month
10675 Bedford Avenue
8-10 a.m.


Omaha Empowerment Breakfasts

Second Friday of each month
Regency Lodge, 107th & Pacific
7:15 to 8:30 a.m.

Veterans in Business Forum breakfast

First Friday of every month, Mammel Hall
7:45 to 9:15 a.m.

About SBA

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Nebraska District Office

Serving the State of Nebraska

Financing

SBA offers information on small business loans, grants, bonds and other financial assistance. Find out which method of financing is right for you!

Learn More about Small Business Loans, Grants, Bonds & Other Financial Assistance

While SBA does not make loans directly, you can find a local lender who can help you with your loan application. You may also speak directly with a local SBA representative by calling 402-221-4691.

Events & Workshops

Explore highlighted events in your area.

Events Calendar						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

[View Full Calendar !\[\]\(e50091943b385fe16d3277389202856f_img.jpg\)](#)

Training

- ▶ COBRA Subsidy Information
- ▶ Where Will Your Next Customer Come From?
- ▶ TCHO: Measure Results with Web Analytics
- ▶ Skaters Landing: Educate your Customers using Free Marketing

What's New

- ▶ It's Your Business - February 2011
- ▶ Urban League President and CEO Thomas Warren to speak at Omaha Empowerment Breakfast
- ▶ It's Your Business - January 2011
- ▶ It's Your Business - December 2010

SBADirect

The answers you need **start here.**

My Interests:

- Leading Your Company
- Growing Your Business
- Running a Business
- Eligibility Size Standards

Your Business ZIP Code

Connect With Us

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