



VERITEX[®]
COMMUNITY BANK

INTRO TO SBA FINANCING

TRUTH IN TEXAS BANKING

As a Preferred SBA Lender, we can help you navigate small business financing. Through the SBA 7(a) and 504 loan programs, Veritex Community Bank offers small business financing for a variety of small business capital needs.

ELIGIBILITY

IS SBA FINANCING
RIGHT FOR MY
BUSINESS?

To be eligible for an SBA Loan, all of the following must be true:

- Your business must be a small (see below), officially registered, for-profit business.
- You must be physically located and operate in the United States or its territories.
- The business's credit and purpose must be sound enough to assure repayment.
- Your requested loan could not be reasonably acquired through conventional lending.

SIZE LIMITATIONS

WHAT DOES "SMALL
BUSINESS" MEAN?

The SBA defines "Small Business" differently depending on the industry that you operate within. Scanning the QR Code to the right will allow you to check whether your business meets this standard based on your Industry Classification Code (NAICS). If you don't know your Industry code, you can go to www.naics.com/search to find it through an interactive index.



PRODUCTS

AVAILABLE
WHICH PROGRAM
FITS MY NEEDS?

SBA 7(A) LOAN

The 7(a) Loan program is the SBA's primary business loan program for providing financial assistance to small businesses, up to \$5 million.

- Real estate acquisition and construction
- Working capital
- Refinancing business debt
- Purchasing furniture, fixtures, equipment, and inventory
- Changes of ownership (complete or partial)
- Leasehold improvements
- Startup financing

SBA 504 LOAN

504 Loans provide long-term, fixed-rate financing for real estate and heavy machinery and equipment needs.

Purchase, improvement, or construction of:

- Existing buildings or new facilities
- Long-term machinery and equipment with a useful remaining life of 10+ years (immobile equipment only)
- Refinancing business debt

COLLATERAL REQUIREMENTS

The SBA considers a loan "fully secured" if the lender has taken security interests in all assets being acquired, refinanced, or improved with the loan and available fixed assets with a combined adjusted net book value up to the loan amount. If your loan cannot be fully secured with business assets, additional collateral or restrictions may apply.

STRUCTURAL REQUIREMENTS

Maturities vary depending on loan purpose and collateral (10-25 years). In most cases, a minimum equity (cash) injection of at least 10% of the total project cost will be required. Some businesses, like passive businesses (e.g., landlords, developers) or multilevel sales organizations, are ineligible. At least one owner must provide a full unconditional guaranty, and all individuals who own 20% or more of an applicant business must provide an unlimited full guaranty. Other terms and conditions may apply.

THE PROCESS

WHAT TO EXPECT

Every SBA loan must undergo an underwriting and approval process. At Veritex Community Bank, we pride ourselves on quick answers and ease of communication with our borrowers. After meeting with one of our lenders and determining if our SBA department is a good fit for your needs, our team will work with you on your request from initial document collection to approval and funding.

Subject to credit approval.