



News Release

WISCONSIN DISTRICT OFFICE

Release Date: February 12, 2014

Contacts: Shirah Apple 414-297-1096/414-841-7013

rachel.apple@sba.gov

Release Number: 14-3

Internet Address: <http://www.sba.gov/wi>

SBA Loans Available for Small Businesses Affected By Propane Crisis *Zero Fees Offered for Borrowers, Lenders on Loans \$150,000 or less*

MILWAUKEE—U.S. Small Business Administration-guaranteed loans may help Wisconsin small businesses squeezed by the high cost of propane this winter. The standard SBA 7(a) loan and the SBAExpress loan both offer a guaranty of at least 50% along with no collateral for loans \$25,000 or less, and zero fees for borrowers and lenders on loans \$150,000 or less until September 30, 2014.

1. **The SBA standard 7(a) loan** offers an 85% guaranty on loans of \$150,000 or less, including working capital loans; and a 75% guaranty for those over \$150,000 (up to \$3.75 million guaranty). Lines of credit are not available through this program. Working capital loans may have a term of seven years. [Wisconsin's 47 Preferred Lending Program \(PLP\) lenders](#) can provide the fastest service on 7(a) loans since they have authority to process them in-house. If the lender agrees, payment may also be deferred 60 to 90 days.
2. **SBAExpress loans** offer a 50% guaranty on lines of credit and working capital loans. Veterans may also borrow \$150,000 to \$350,000 with no up-front fees through this program. Terms are up to 7 years on working capital. [More than 150 lenders handle SBAExpress loans statewide.](#)

“These existing SBA products, with zero fees and longer maturities, can help borrowers absorb this winter’s higher-than expected fuel costs while minimizing impact on cash flow. The high guaranty percentages minimize the lender’s risk,” says Eric Ness, SBA’s Wisconsin District Director. “For some businesses, a loan right now might make the difference between surviving and closing the doors. We’re committed to doing everything we can to help Wisconsin businesses move through this difficult situation.”

To learn more about SBA-guaranteed loans, contact Ellie Berg, Lender Relations Specialist, at Elvira.Berg@sba.gov or 414-297-1488; or Mike Fazio, Lender Relations Specialist, at Michael.Fazio@sba.gov or 414-297-1097. Phone is preferred.

For more information on SBA resources and programs, go to www.sba.gov/wi.

###