

SBA 7(A)

Swift recovery when major bank fumbles a business expansion loan

LOAN AMOUNT

\$2,881,500

LOAN PURPOSE

SBA 7(a) for construction, equipment, and working capital

THE SMALL BUSINESS

Collectiv Academy | Dallas, Texas

THE FINANCING CHALLENGE

When our Utah-based borrowers hopped on the phone with Ready Capital, they were in a bind. They'd started their small business financing journey with a major bank that had overpromised and underdelivered. The 11th-hour change in financing of their cosmetology school expansion no longer met the borrower's expansion goals. The project was in jeopardy.

Here's what our borrowers brought to Ready Capital:

- Construction on the borrower's new Dallas, Texas site was at risk of grinding to a halt.
- The new school had a deadline for opening.
- The in-progress deal included collateral shortfall and expansion into a new market.

CREATIVE SOLUTION

Ready Capital was able to review the borrower's goals and align its deal structuring with those, closing the deal in time for the school's planned opening.



Reliable results

- Locked in \$2,881,500 of SBA 7(a) financing to include construction financing, equipment purchases, and more for working capital.
- The deal ensured retention of capital so the business could continue to grow.
- Worked on an accelerated timeline (just over 30 days) to make up for time lost with original lender.

The non-bank, SBA preferred lending partner difference

A small business loan is not an empty box like a checking or savings account. No two small businesses are alike when it comes to their financing needs. This means that small business financing requires out-of-the-box thinking and capabilities many banks simply don't offer. Ready Capital is a non-bank, SBA preferred lending partner (PLP). We speak fluent small business and have the process in place to help them reach their goals the first time.