

SBA 7(A)

Passionate Bridal Shop Employee Pursues Her Dream of Becoming its Owner

LOAN AMOUNT

\$738,500

LOAN PURPOSE

SBA 7(a) Business Acquisition

THE SMALL BUSINESS

Bridal Shop | Peachtree City, GA

THE FINANCING CHALLENGE

As a first-time buyer and longtime bridal shop employee, our client did not have the initial funds or the 10% deposit needed to purchase the business and obtain the loan. Even though she brought over 15 years of experience, the passion to keep the company going, and a motivated seller, she was at a loss of ways to come up with the funds. The borrower was willing to go to great lengths such as selling her home to make the deal happen. Unfortunately, with growing interest rates and a tough residential market she was unable to sell and needed to look for another solution.

Here's what our borrower brought to Ready Capital:

- Over 15 years of experience, passion, and knowledge at the bridal shop.
- Existing relationships with customers, vendors, employees, and community members that helped aid in the success of the business for over a decade.
- A great relationship with the seller who was interested in assisting her to purchase the business.



CREATIVE SOLUTION

The SBA came out with new guidelines in August 2023 that changed the original rule that a borrower acquiring a business has to come in with a down payment and this down payment could now come in the form of a seller note(s). The relationship between the buyer and seller was crucial since they wanted to pass along their business to a buyer they could trust to carry on its success and legacy. The timing of the closing moved very quickly from the adaptation of the new guidelines. At the time, Ready Capital was one of the first lenders to execute these new guidelines and provide the solution she needed. The buyer did not need to sell her home or change her lifestyle in order to achieve her dream of becoming the owner of the bridal shop she has loved working at for over 15 years.

Reliable results

- We were able to lock in \$738,500 of SBA 7(a) financing for the bridal shop acquisition.
- Quick closing from the timing of the adaptation of the new SBA guidelines to the finish line.
- The buyer was able to keep her home and maintain her lifestyle and still acquire the business.