



SBA 7(a) loans to start and grow national franchises

SMALL BUSINESS LENDING



Starting or buying a franchise gives entrepreneurs a jump start in owning a business.

With lenders tightening credit and pausing certain transactions, SBA 7(a) loans are a viable option for new and existing franchises. And they offer higher allowable leverage and wider parameters than a typical conventional loan—a good fit to grow and expand franchise portfolios.

SBA 7(a) highlights

- Loans to \$5M¹
- Terms to 25 years
- Low borrower equity required
- Wide use of proceeds
- Limited/No prepayment penalties
- Closing may be financed

Franchise loan purposes

- Start-ups
- Business acquisitions and expansions
- Working capital
- Equipment
- Renovations and rebranding
- CRE purchase and rent replacement

Market facts

From 2013-2019, the franchise industry grew \$571B to \$787.5B—an average growth rate per year of 5.2%. Franchise employment grew from 6.96M employed in 2013 to over 8.43M employed in 2019.²

Why Ready Capital for franchises?

- Competitive loan structures
- Vertically integrated origination and underwriting
- An SBA Preferred Lender that can process loans quickly
- Experienced franchise lender with over \$600M in total franchise loans closed

Contact your financing expert



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With almost a decade of small business lending experience, Chris can help provide financing for franchises.

LIMITED SERVICE RESTAURANTS

\$331,000

SBA 7(a) Franchise Restaurant Acquisition

HIGHLIGHTS:

10-year term
Roseville, CA

WOMEN'S CLOTHING STORES

\$238,000

SBA 7(a) Start-Up Franchise

HIGHLIGHTS:

10-year term
Newnan, GA

Small business lending for humankind

We are experts who not only understand commercial real estate but also the importance of financing franchises, which serve a purpose to benefit families, communities, and the economy.

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1. Loans under \$350,000 financed through our iBusiness technology platform. These loans are made pursuant to the SBA 7(a) Small Balance and Express programs. Loan terms vary by loan program, borrower eligibility, loan amount, and other factors. | 2. Source: Vetted Biz, Franchise and Small Business Statistics.

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