

## The Right Loan for You

An SBA loan from First National Bank of Northfield could be just what your business needs to get to the next level. Currently we offer the 7(a), Express and 504 loan programs. Use the information below to quickly compare the programs and find the one that best meets your needs. Then contact one of First National's experienced business bankers to see if you qualify.

### Loan Program Quick Comparison

	SBA 7(a) Term Loan	SBA Express	SBA 504 Term Loan
Eligibility	<p><b>FOR-PROFIT</b> businesses.  <b>NET WORTH</b> not in excess of \$15 million.  <b>NET PROFIT</b> after tax averaging less than \$5 million for the two previous years.  <b>SMALL BUSINESS</b> qualification by SBA guidelines.</p>	<p><b>FOR-PROFIT</b> businesses.  <b>NET WORTH</b> not in excess of \$15 million.  <b>NET PROFIT</b> after tax averaging less than \$5 million for the previous two years.  <b>SMALL BUSINESS</b> qualifications by SBA guidelines.</p>	<p><b>FOR-PROFIT</b> businesses.  <b>NET WORTH</b> not in excess of \$15 million.  <b>NET PROFIT</b> after tax averaging less than \$2.5 million for the two previous years.  <b>NOT FOR</b> speculation or investment in rental real estate.  <b>MEETS</b> job creation and/or retention goals.</p>
Loan Size	<p><b>UP TO</b> \$5 million.  <b>SBA GUARANTEE</b> cannot exceed \$3.75 million.</p>	<p><b>UP TO</b> \$350,000.</p>	<p><b>MINIMUM</b> project size \$125,000.  <b>SBA PORTION</b> minimum \$50,000; maximum \$5.5 million.</p>
Use of Proceeds	<p><b>LAND</b>, buildings, equipment, purchase business, inventory, working capital.</p>	<p><b>WORKING CAPITAL</b> lines of credit.</p>	<p><b>LAND</b>; building purchase, construction or renovation; equipment (minimum useful life of 10 years).</p>
Financing	<p><b>PROVIDED BY</b> First National.  <b>SBA PROVIDES</b> 85% guarantee to First National on loan amount of \$150,000 or less; 75% guarantee on loan amount of \$150,000 or more.</p>	<p><b>PROVIDED BY</b> First National.  <b>SBA PROVIDES</b> 50% guarantee to First National on loan amounts up to \$350,000.</p>	<p><b>50%</b> financed by First National.  <b>40%</b> SBA loan through Certified Development Company.  <b>10%</b> borrower equity injection.</p>
Loan Terms	<p><b>WORKING CAPITAL</b> – up to 7 years.  <b>EQUIPMENT</b> – up to 10 years or useful life.  <b>REAL ESTATE</b> – up to 25 years.</p>	<p><b>REVOLVING</b> lines of credit up to 7 years. Initial term is 1 year with renewal options.</p>	<p><b>FIRST NATIONAL LOAN</b> – minimum 10 years on real estate, 7 years on machinery and equipment.  <b>SBA LOAN</b> – 10 or 20 years.</p>
Interest Rates	<p><b>VARIABLE</b>, based on Wall Street Journal prime rate.</p>	<p><b>VARIABLE</b>, based on Wall Street Journal prime rate.</p>	<p><b>FIRST NATIONAL LOAN</b> – negotiated between borrower and bank.  <b>SBA LOAN</b> – below market fixed; rate set when debenture is sold.</p>