



## ***Seller Financing vs. SBA Financing***

	<b>Down Payment</b>	<b>Term</b>	<b>Interest Rate</b>	<b>Collateral/Security</b>	<b>Underwriting</b>	<b>Loan Fees</b>
<b>Seller Financing</b>	Typically 30% to 50%	Typically 3-7 years	Negotiable	Personal Guarantee, Assets of the Business, Additional items may be negotiated by the buyer and seller	Easy for the buyer and seller to control. Often includes a buyer credit report and financial statement.	None.
<b>SBA Financing</b>	20%	10 years	Prime + 2.25-2.50%	Personal Guarantee, Assets of the Business, Liens on Buyers Real Estate	Buyer and seller have little control. Lengthy and complex application process. Highly dependent on the buyer's transferable business experience.	Loan fees may range from 1 - 3% plus other costs depending on the loan structure.

*Due to the complex nature of buying and selling businesses, Sunbelt recommends that all parties seek appropriate professional, legal and accounting advice. Sunbelt does not verify, represent or warrant the above information.*

**Minneapolis, MN**  
(612) 455-0880

**Saint Paul, MN**  
(651) 484-2677

**Milwaukee, WI**  
(262) 901-0086

**Chicago, IL**  
(773) 243-1603