

So, What type of businesses and properties will SBA not lend to ?

Here's the basics, (there are some exceptions)

Businesses and Property Types that ARE NOT eligible for SBA financing, (ineligible businesses)

- **Non Profit** Businesses

- **Lenders**

- Banks
- Life Insurance Companies
 - Independent Life Insurance Agents ARE eligible !
- Investment Companies
- Bail Bond Companies
- Money and Finance Companies
- **EXCEPTIONS that ARE Eligible:**
 - Pawn Shops who derive more than 50% of their revenue from the sale of merchandise
 - Businesses that finance, as a side business, (less than 50%), where finance is not their main source of income
 - Mortgage services that sell their loans within 14 days, (none held in portfolio)
 - Check cashing business receiving over 50% of income from cashing checks
 - Financial advisors on a FEE basis, (Do not use funds to invest in their own portfolios)

- **Businesses where a Lender or any of it's associates owns an equity interest**

- **Passive Real Estate Businesses, Developers and Landlords, that do not actively use the property themselves**

- Apartments,
- Units
- Multifamily
- Residential Income
- Mobile Home Parks
- Shopping Centers

- Businesses that lease land for the operation of a cell phone tower or wind turbine
- Subdividers
- Real Estate Leasing Businesses
- **EXCEPTIONS that ARE Eligible:**
 - Hotels
 - Motels
 - Nursing Homes
 - Assisted Living Facilities
 - RV Parks
 - Marinas
 - A business OPERATING a wind turbine or cell tower
 - Businesses engaged in leasing equipment, household goods and other similar items
- Businesses located in **Foreign Countries**
- Businesses owned by **Illegal Aliens**
 - Permanent resident aliens ARE eligible
- **Pyramid Plan** Businesses
- **Gambling** Businesses
- Businesses engaging in any **Illegal Activity**
- Businesses which **Restrict Patronage**, (men's clubs, women's clubs for example)
- **Government Owned Entities**
 - (except Native American Tribes)
- **Religious** Organizations
- **Consumer and Marketing Cooperatives**
 - **EXCEPTIONS that ARE Eligible:**
 - Producer Cooperatives
 - Agricultural Marketing Cooperatives
- **Loan Packaging** Businesses
- **Businesses with associates with poor character** who are
 - Incarcerated
 - On Probation
 - On Parole
 - Under or subject to an Indictment for
 - Felony
 - Crime of moral turpitude
 - Criminal information
 - Arraignment

- Criminal charges
 - Deferred Prosecution
- Businesses Providing Prurient **Sexual** Material
- Businesses or any of its associates who have **Defaulted on, or have Delinquent Federal Debt**
- Businesses involved in **Speculation** including, but not limited to:
 - Oil Wildcatting
 - Financial Instruments, stocks, bonds, commodity futures, etc.
 - NEW gold, silver and mineral mines, (other than established fields)
 - Research and Development
 - New home building without an identified purchaser and valid purchase contract
- Businesses engaged in **Political or Lobbying** activities

For all your SBA loan needs for property purchases and refinances,

Contact me, Scott Simmons, 760-831-0044,
Scott@DesertEmpireMortgage.com



Scott Simmons - Loan Specialist

Desert Empire Mortgage

Commercial and Residential
Property Financing

1111 East Tahquitz Canyon Way Suite #121
Palm Springs, California 92262

760-327-2254 office 760-831-0044 cell

Scott@DesertEmpireMortgage.com

www.DesertEmpireMortgage.com

CalBRE # 00909344 NMLS # 244859