



# News Release

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## **Big Increase in Massachusetts SBA First Quarter Loan Volume Small Business Loans up by 67 Percent Over Last Year**

**BOSTON** – Capital provided to Massachusetts small businesses by private sector lenders participating in the U.S. Small Business Administration’s loan programs during the first quarter of 2010 (10/1/09 – 12/31/09) surpassed the same period a year ago in both number of loans and loan dollars. Total loan dollars increased to \$96 million from \$60 million a year ago, a 61 percent increase. A total of 441 loans were approved during the three-month period this year, compared to 264 for the same period last year, a 67 percent increase in the number of loans.

Massachusetts SBA Director Bob Nelson pointed to three reasons why loan volume is on the rise. The first is that the SBA received \$730 million in the American Recovery and Reinvestment Act to help unlock the small business lending market and to get capital flowing again to America’s small businesses. This allowed SBA to eliminate and reduce fees for borrowers on loans and to increase the guaranty to lenders to 90 percent, thereby reducing their risk.

The second reason is economic, Nelson said. “The newly unemployed often find self-employment or entrepreneurship a viable option. In turn, the SBA becomes a likely resource for financing as well as counseling.”

The third reason is due to increased participation by lenders in Massachusetts who considered SBA loan programs to help them get to the “yes” decision on small business loans. During the first quarter of fiscal 2010, 101 different lenders used SBA programs versus last year when just 61 lenders used the SBA program during the first quarter. Nelson attributes the increase in the number of participating lenders to “the strong base of community lenders in Massachusetts” and the “tremendous outreach and training SBA staff is providing to Massachusetts small business lenders across the state.”

For a list of the Top 25 participating SBA lenders in Massachusetts, please visit our webpage at [http://www.sba.gov/idc/groups/public/documents/ma\\_boston/ma\\_09loanvolume.pdf](http://www.sba.gov/idc/groups/public/documents/ma_boston/ma_09loanvolume.pdf).

To serve budding entrepreneurs as well as existing small business owners SBA’s Massachusetts District Office also offers technical assistance through the Massachusetts Small Business Development Center Network, SCORE (Counselors to America’s Small Businesses), and the Center for Women & Enterprise. For more information on available sources of counseling and training go to <http://www.sba.gov/localresources/district/ma/counselingt/index.html>.

For more information about the SBA online, go to [www.sba.gov](http://www.sba.gov) or contact the Massachusetts District Office at (617) 565-5590.

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