

SmartBiz Loans Strategic Partner Guide

Working together to help small businesses thrive

Table of Contents

- Welcome 3
- Partner Assist 4
 - Predict Cash Flow Tool 5
- SBA Working Capital Loans**
 - Product Overview 6
 - Qualifications and Borrower Eligibility 7
- Bank Term Loans**
 - Product Overview 9
 - Qualifications and Borrower Eligibility 10
- SBA Commercial Real Estate (CRE) Loans**
 - Product Overview 11
 - Qualifications and Borrower Eligibility 12
 - Best Practices to Identify Opportunities 13
 - Process Flow 14
- FAQs 15

Welcome to SmartBiz!

SmartBiz is redefining small business lending through our advanced technology platform. SmartBiz acts as a packaging and referral agent for small businesses, and as a technology provider to preferred bank lenders. The online application is streamlined and efficient, enabling business owners easy access to low rates and long-term loans. We recently added bank term loans to help small businesses who may not be ready for an SBA loan or need funds more quickly than even our streamlined process allows.

We're excited to have you on board!



Partner Assist

The SmartBiz Partner Assist portal is your gateway to our automated and streamlined loan application process.

Here you can:

- Refer loans
- Track loan status and fundings
- Assess customer fit with Predict Cash Flow tool
- Download marketing materials and helpful resources

If you would like a demo or have any questions regarding Partner Assist, please contact us at partners@smartbizloans.com.

smartbiz Partner Assist

Loans Team Payments Marketing FAQs

Loan Dashboard

search all loans [START NEW LOAN](#)

All loans 4 loans Started 1 loans Prequalified 3 loans Preapproved 0 loans Being Verified 0 loans Funded 0 loans Declined 0 loans

Company	Contact	Amount	Started	Status	Next Steps
Carly's Carewear	brad garrett 856-746-3436 brad+percent3@smartbizloans.com	\$100,000	06/12/2017	Prequalified — business and personal credit requirements met	Complete eligibility questions and interim financial data Continue Application
Los Primos Auto Sales	brad garrett 768-567-8566 brad+percent2@smartbizloans.com	\$100,000	06/12/2017	Prequalified — business and personal credit requirements met	Complete eligibility questions and interim financial data Continue Application
Matador Brewery	Brad Garrett 634-563-4563 brad+invite1test@smartbizloans.com	\$200,000	03/06/2017	Started — Referral email sent to applicant	Applicant must click your referral link and submit the apply page
Morgan+Assocs, CPAs	john smith 456-345-6346 brad+pacre1@smartbizloans.com	\$1,000,000	02/21/2017	Prequalified — business and personal credit requirements met	Complete eligibility questions and interim financial data Continue Application

Total 4

smartbiz Partner Assist

©2009-2018 SmartBiz Loans. All Rights Reserved.

Contact
Monday - Friday 8:00 AM - 5:00 PM PST
Phone: (888) 826-0322
Email: partners@smartbizloans.com

Partner Assist | Predict Cash Flow Tool

The Predict Cash Flow tool in your Partner Assist Portal is the quickest and easiest way to assess your client's probability of qualifying for an SBA or bank term loan *before starting the application*. This will help you save time and lets you focus on sending those applications that are the best fit for SmartBiz.

Partner Predict is accessible via the orange **"START NEW LOAN"** button.

- Indicate the type of loan your customer is seeking
- Answer 6 questions about your client's business
- Drag and drop the most recently filed business tax return or enter data manually

In a few seconds, you'll know if your loan is a good fit for SmartBiz and you will be able to submit the application.

The screenshot shows the SmartBiz Partner Assist Portal interface. At the top, there's a navigation bar with 'Loans', 'Team', 'Payments', 'Marketing', and 'FAQs'. The main heading is 'Working Capital Application'. Below this, there are three steps: '1 Eligibility', '2 Cash Flow Analysis', and '3 Loan Application'. The 'Eligibility' step is active. The form contains the following fields and questions:

- Client Information**
 - SmartBiz Loan Amount: \$150,000 (with a note: 'How much does your client want to borrow?')
 - Client's Email Address: carly@carlyscarewear.c
 - Personal Credit Score: 750
- SmartBiz General Eligibility**
 - 1. Has the business been operating for at least 2 years? (Yes selected)
 - 2. Has your client, or your client's business, have any bankruptcy or foreclosure in the past 3 years? (No selected)
 - 3. Has your client, or your client's business, ever defaulted on a government guaranteed loan? (No selected)

A 'Continue' button is located at the bottom of the form.

SBA Working Capital | Debt Refinance Loans

Product Overview

Loan Size • \$30,000 to \$350,000

Loan Description • SBA 7(a) loan

Use of Proceeds • Working capital
• Debt refinance
• New equipment purchase

Time to Funding • Pre-qualify in 5 minutes
• Funding as fast as 7 days after application is complete

Interest Rates • \$30K to \$49K Prime Rate¹ plus 3.75%
• \$50K to \$350K Prime Rate plus 2.75%

Loan Term • 10-year term with no prepayment penalty

Payment • Monthly payments are debited from checking account

Fees • 4% referral and packaging fee²
• Approximately \$450 in bank closing costs³
• Loans from \$30K to \$150K require a 1.7% guarantee fee
• Loans above \$150K require a 2.25% SBA guarantee fee

Security • Blanket lien on business assets
• Personal guarantee by all 20% owners

Geographic Coverage • Nationwide

¹ Prime Rate as published by the Wall Street Journal

² Fees are capped by the SBA at 4% and partners are prohibited from charging additional points or fees

³ This is an estimate and actual costs may vary

SBA Working Capital | Debt Refinance Loans

Qualifications & Borrower Eligibility

Personal Credit Score

- Minimum 650 FICO

Public Records

- No bankruptcies or foreclosures in past 3 years
- No outstanding collections
- No open tax liens
- No recent 30+ day late payments

Cash Flow

- Sufficient business and personal cash flow to service all debt payments
- Demonstrated by 2 years of tax returns, credit reports, and interim financial data

SBA Specific Criteria

- No felonies
- No delinquencies and/or default on government loans

Basic Eligibility

- 2+ years in business
- Owner(s) must be U.S. citizen(s) or Lawful Permanent Residents
- Business must be located in the U.S.
- Business must be open to all on a non-discriminatory basis
- Non-profit businesses are ineligible
- Business must be able to demonstrate repayment ability from earnings
- Business must not be involved in lending, investing in real estate, religion, politics, gambling or sex-related industries

Use of Proceeds

- Working capital, e.g. payroll, inventory, marketing, finance receivables, bookkeeping and legal fees, hiring
- Refinance existing business debt
- New equipment purchase
- No Construction
- No Acquisitions

SBA Working Capital | Debt Refinance Loans

Ineligible Industries

- Banks
- Bail Bond Companies
- Direct Lenders
- Factoring Companies
- Farms
- Gas Stations
- Gambling
- Investment Companies
- Life Insurance Companies (not independent agents)
- Non-profits
- Other businesses whose stock in trade is money
- Pornography
- Tobacco-related businesses

Bank Term Loans

Product Overview

Loan Size • \$30,000 to \$200,000

Loan Description • Bank term loan

Use of Proceeds • Working capital
• Debt refinance
• New equipment purchase

Time to Funding • Pre-qualify in 5 minutes
• Funding as fast as 2 days after application is complete

Interest Rates • Fixed interest rate from 6.99% to 26.99¹

Loan Term • 2 to 5-year repayment terms with no prepayment penalty

Payment • Monthly payments are debited from checking account

Fees • 6% referral and packaging fee
• Between \$200 and \$300 for bank closing costs²

Security • Lien on business assets
• No minimum requirement for the value of those assets

Geographic Coverage • Nationwide

¹ Interest rate depends on loan term and the applicant's credit and financial profile

² This is an estimate and actual costs may vary

Bank Term Loans

Qualifications & Borrower Eligibility

Personal Credit Score

- Minimum 650 FICO

Public Records

- No bankruptcies or foreclosures in past 3 years
- No outstanding tax liens

Cash Flow

- Cash flow to support loan payments

Basic Eligibility

- 2+ years in business
- Business Owner(s) must be U.S. citizen(s) or Lawful Permanent Residents
- Excluded industries include religious teaching, primarily political and lobbying activities, oil wildcatting, mining, mortgage servicing, real estate development, bail bond, pawn or private clubs, tobacco-related businesses, among others
- Non-profit businesses are ineligible
- Business must be able to demonstrate repayment ability from earnings

Use of Proceeds

- Working capital, e.g. payroll, inventory, marketing, finance receivables, bookkeeping and legal fees, hiring
- Refinance existing business debt
- New equipment purchase
- No Acquisitions

SBA Commercial Real Estate (CRE) Loans

Product Overview

Loan Size • \$500,000 to \$5 million

Loan Description • SBA 7(a) loan

Use of Proceeds • Commercial real estate refinance or purchase

Time to Funding • Pre-qualify in 5 minutes
• Conditional Approval in ~30 minutes
• Funds as fast as 30 days after credit approval

Interest Rates • Prime Rate plus 1.5% to 2.75%
• Fixed and variable rates

Financing • Up to 90%

Loan Term • 25-year, fully-amortizing CRE loan with no prepayment penalty after 3 years:
Year 1=5% | Year 2=3% | Year 3=1%

Payment • Monthly payments are debited from checking account

Fees • 1% referral and packaging fees plus bank closing costs
• 2.25% to 2.76% SBA Guaranty fee depending on loan size

Security • First lien on subject property + best available lien on business assets + personal guarantee

Geographic Coverage • Nationwide

SBA Commercial Real Estate (CRE) Loans

Qualifications & Borrower Eligibility

Personal Credit Score

- Minimum 685 FICO

Public Records

- No bankruptcies or foreclosures in past 3 years
- No outstanding collections
- No open tax liens
- No recent 30+ day late payments

Cash Flow

- Sufficient business and personal cash flow to service all debt payments
- Demonstrated by 2 years of tax returns and financials

SBA Specific Criteria

- No felonies
- No delinquencies and/or default on government loans

Basic Eligibility

- 2+ years in business
- Owner(s) must be U.S. citizen(s) or Lawful Permanent Residents
- Business must be located in the U.S.
- Business must be open to all on a non-discriminatory basis
- Businesses must be operated for profit
- Business must be able to demonstrate repayment ability from earnings
- Business must not be involved in lending, investing in real estate, religion, politics, gambling or sex-related industries
- At least 51% of the property's square footage must be occupied and used by the business

Use of Proceeds

- Refinance or purchase of owner-occupied commercial real estate

SBA Commercial Real Estate (CRE) Loans

Best Practices to Identify Opportunities

Profit & Loss

Sizeable rent expense on P&L

A large office rent/lease expense on business tax returns or P&L indicates an opportunity to replace the rent payment with a commercial real estate loan. For example, a \$1 million CRE loan is about \$6900/month.

Balance Sheet

Large non-current asset and/or accumulated depreciation

Large long-term liability

If there is a large balance in the “Current Portion of Long Term Debt”, there is likely an impending balloon payment, and a good opportunity to discuss a refinance.

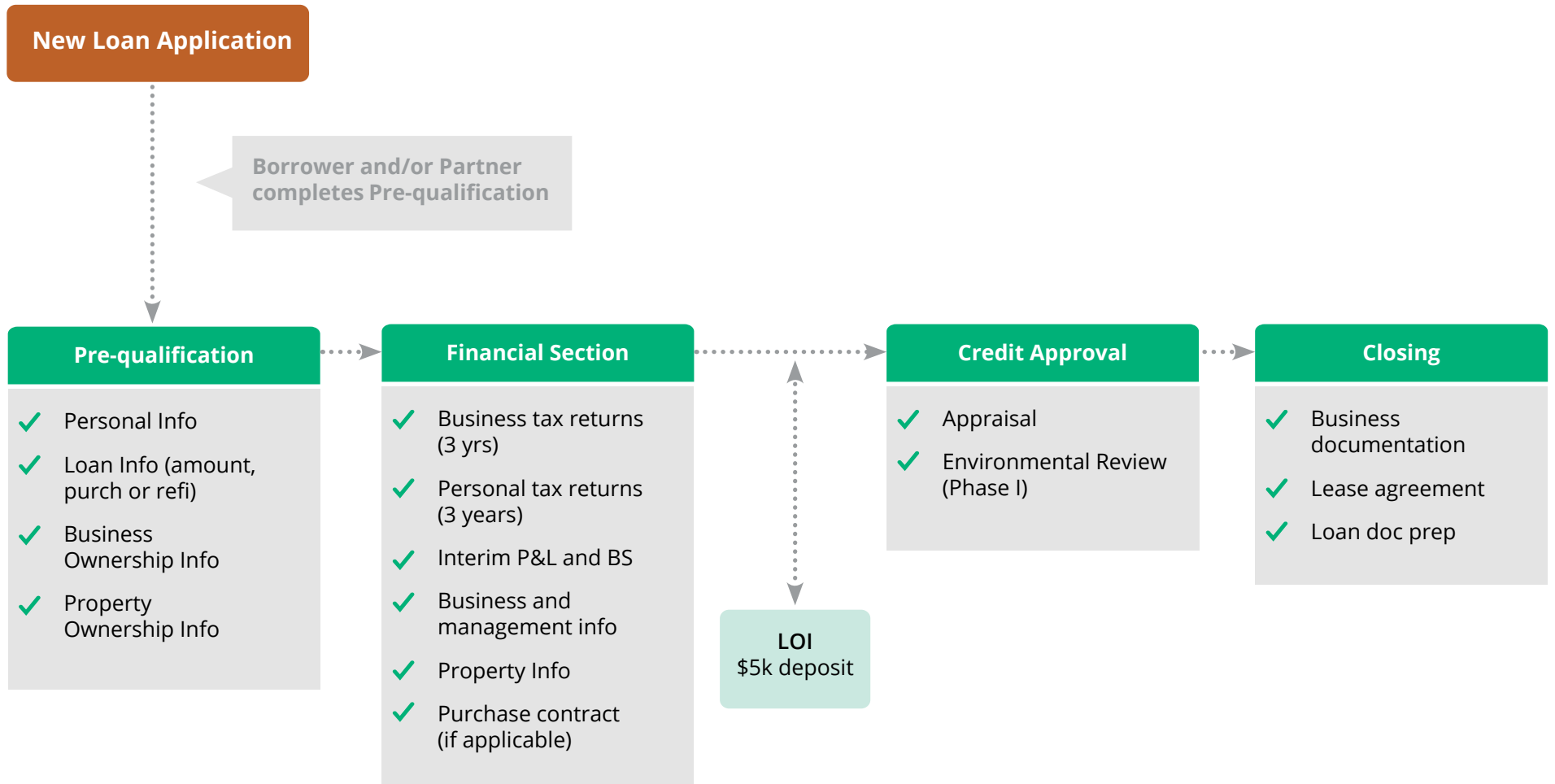
Affiliate LLC and/or Schedule E Income

Cross-reference Schedule E property address against primary business location

If the addresses match up, this is an indicator of the client owning the property the business operates from. This presents a good opportunity to discuss the terms of their existing debt, and refinancing with an SBA commercial real estate loan.

SBA Commercial Real Estate (CRE) Loans

Process Flow



Frequently Asked Questions

Who do I contact for support?

Most questions can be answered by reviewing the FAQ's in Partner Assist. You can also reach out to your dedicated Partner Success Manager or contact our team at partners@smartbizloans.com.

Who should I tell my client to contact for support?

Our loan specialists are available to assist clients with any troubles they may have during the application process. They can be reached between 8:00AM and 5:00PM PST at **(866) 283-8726**.

How do I get paid?

You will receive an ACH payment into your checking account within 10 business days of loan funds being disbursed to the borrower.

Who is eligible for a SmartBiz SBA loan?

Please refer to our eligibility checklist tool included in the Partner Assist portal. Additionally, the SmartBiz website has a list of program eligibility requirements.

Frequently Asked Questions (continued)

What information do you need to perform a financial analysis, and what other documentation is required?

After pre-qualification, we will need to do a cash flow analysis. This requires:

- ✓ 2-3 years of business and personal tax returns
- ✓ Interim P&L statement and balance sheet
- ✓ Full list of business debt

Once cash flow is completed, we will begin collecting documents. These include: Business Entity Documents, Insurance Documents and Business Location Documents.

What is the typical profile of a funded client?

Our average funded borrower has a \$1 million revenue business with a credit score of 700 for the business owner(s). However, the best way to see if your customer is a good fit for an SBA loan is to use the Predict Cash Flow tool in your Partner Assist Portal. It only takes a couple minutes to provide the information and will help you focus on those clients most likely to get approved.

How do I get status updates on my client's applications?

You will be able to track the statuses for all your submitted loans in real time within the Partner Assist portal. For specific update requests you can reach out to your dedicated Partner Success Manager or contact our team at partners@smartbizloans.com. Please allow for a 24-hour response time.

Frequently Asked Questions (continued)

How do I market SmartBiz to my client base?

In the Partner Assist Dashboard, you have access to a marketing brochure and email template that you can co-brand. Many partners find email campaigns to be very successful. Should you wish to discuss more marketing strategies or product integration, please inform the Partnerships team at partners@smartbizloans.com.



Our original 15 year mortgage was through a local bank we'd been with for years. However the bank was bought out two times and it was aggravating trying to work with them. The 25 year mortgage refinance with SmartBiz was an easy process and will really help us improve cash flow. We're not facing any future balloon payments. It's a big relief!

—Mellody Brown

Assistant/Accounting Manager at Pro-Glo Auto Finish and Glass Inc.
\$620,000 loan





We look forward
to working with you!