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## SBA Losses Climb 154% in 2008

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### SBA 7(a) and 504

Loan NAICS Loan Portfolio Data

Failure and Charge-Off Percentages by Industry through FY 2008

NAICS Loan Portfolio Data	*Failure #	*Charge-Off \$	
FY 2008	26,718	\$991,929	Increase of 154%
FY 2007	13,307	\$389,967	
FY 2006	10,163	\$519,193	

**Coleman's SBA 7(a) and 504 Loan Franchise Failure and Charge-Off Data  
500 Franchises Measured through FY 2008.**

Franchise Failure and Charge-Off Data	*Failure #	*Charge-Off \$	
FY 2008	1,132	\$93,349	Increase of 167%
FY 2007	745	\$35,060	
FY 2006	718	\$47,772	

### Summary SBA Loan Portfolio Data

2009 Report SBA Portfolio Loan Failure Rate 11.9%

SBA Franchise Loan Failure Rate 13.4%

SBA Loan Charge-Off Rate 1.9%

SBA Franchise Loan Charge-Off Rate 2.0%

2008 Report SBA Portfolio Loan Failure Rate 8.4%

SBA Franchise Loan Failure Rate 10.8%

SBA Loan Charge-Off Rate 1.2%

SBA Franchise Loan Charge-Off Rate 1.2%

2007 Report SBA Portfolio Loan Failure Rate 7.1%

SBA Franchise Loan Failure Rate 9.0%

SBA Loan Charge-Off Rate 1.0%

SBA Franchise Loan Charge-Off Rate 1.0%

2006 Report SBA Portfolio Loan Failure Rate 5.9%

SBA Franchise Loan Failure Rate 6.9%

SBA Loan Charge-Off Rate 0.5%

SBA Franchise Loan Charge-Off Rate 0.3%

**NAICS Loan Portfolio Data**

\*SBA 7(a) and 504 loans approved from October 1, 2000 through September 30, 2008.

\*Loans are classified by industry according to the North American Industry Classification System.

\*Industries with less than ten disbursed loans are omitted by SBA.

\***Disbursed #** --- Total number of loans disbursed for approvals from October 1, 2000 through September 30, 2008. The report consists of 500,000 loans.

\***Disbursed \$** --- SBA's guaranty exposure of actual dollars disbursed (000s omitted), not loan approvals --- \$100 billion total for the report.

\***Failure %** --- The number of loans in liquidation as classified by the lender added to charged-off loans. Then divide by the number of loans disbursed.

\***Charge-off %** --- The actual cash paid by SBA to honor its guaranty. This number represents SBA's loss, not the lender's loss. Divide by the amount of dollars disbursed.

Summary SBA Loan Portfolio Data

**Franchise Loan Portfolio Data**

\*Data consists of SBA 7(a) and 504 loans approved from October 1, 2000 through September 30, 2008.

\*Franchises with less than 10 approved and disbursed SBA loans are omitted.

\***Disbursed #** --- Total number of loans disbursed for approvals from October 1, 2000 through September 30, 2008.

\***Disbursed \$** --- Actual dollars disbursed, not loan approvals.

\***Failure #** --- Actual number of failures since October, 2000.

\***Charge-Off \$** --- Actual SBA loss since October, 2000.

\***Failure %** --- The number of loans where lender's requested guaranty payment divided by the number of loans disbursed.

\***Charge-Off %** --- The amount of dollars charged-off divided by the amount of dollars disbursed.

\*Dollar Figures omit (000s).

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