



News Release

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2004 A Record Year for the SBA; Loans to Small Businesses Doubled Since 2001

WASHINGTON – With the end of the 2004 fiscal year on September 30, the U.S. Small Business Administration closed out a record-shattering year and continued to build upon a steady stream of accomplishments, providing more than twice as many loans to small businesses as in FY 2001. The agency surpassed its previous lending records in both the flagship 7(a) and 504 loan programs, and established volume records in loans to women, minorities, and veterans.

In FY 2004, the SBA backed 74,825 7(a) loans totaling \$12.5 billion to small businesses, and 8,168 loans worth \$3.9 billion under the 504, or Certified Development Company, program. The number of loans made under each program was a record, as well as the combined total. The combined total also is more than double the 41,552 loans that were made by the agency's lending partners and Certified Development Companies with SBA backing in FY 2001.

“Thanks to the President’s small business agenda, we have met and surpassed our goals, helping millions of small businesses on their way toward realizing the American dream,” Administrator Hector V. Barreto said. “Capital is the lifeblood of small businesses, and every time we approve a loan that means another small business has a chance to grow and contribute to the economy.”

With record demand for capital, it is a sure sign that the economy is strengthening. Small businesses account for seven out of every 10 new jobs and produce countless new technologies and innovations.

“Small business is the economic engine that drives our economy,” said Barreto. “Our record year is proof that the economy is expanding and creating new jobs, evident by the low unemployment rate of 5.4 percent. But we will not be satisfied until every American who wants a job has a job, so we will continue to work to strengthen the SBA and reach out to more small businesses.”

Women and minorities benefited from record levels in FY 2004 as well, each more than double the levels set in 2001. Overall, nearly a third of SBA-backed loans went to minorities, and the number of loans to African Americans, Hispanics and Asian Americans rose to record levels, up 32 percent over last year for African Americans, up 31.7 percent over last year for Hispanics and up 33.7 percent over last year for Asian Americans. The number of loans to women increased 27.3 percent over FY 2003, and the loans to veterans were up by 21 percent.

“We have worked hard to reach out to every community, and we are seeing the fruits of our labor with these numbers,” Barreto said.

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