

Commercial & SBA financing, made clearer.

A practical companion to Paul Singh's online business-financing guide. Choose your path, organize your documents and prepare better questions.

START WITH THESE FIVE THINGS

What are you buying or funding?

Where is the business or property?

What is the estimated total project cost?

How much can you contribute and keep in reserve?

What contract or closing dates matter?

You do not need every answer before the first conversation. Label estimates and tell us what is missing.

Your next step: Call 856-503-9396 or use the booking link on paulsinghmortgages.com. Request the correct commercial application and secure document channel.

Reviewed October 17, 2026. This is an educational planning workbook, not an application, contract, credit decision or commitment to lend.

What might fit your goal?

These are categories to discuss with an appropriate lender or specialist. Available programs and requirements depend on the transaction.

SBA 7(a)

Eligible business acquisition, working capital, equipment, real estate and qualifying refinance. Maximum generally \$5 million. A participating lender provides the loan; SBA provides a guaranty.

SBA 504

Eligible business-use real estate and long-lived fixed assets. CDC and senior lender financing have separate terms. Not ordinary working capital, inventory or passive rental investment.

SBA microloan

Up to \$50,000 through approved intermediaries for eligible smaller needs. Cannot purchase real estate or pay existing debts; maximum term seven years.

Conventional commercial

Lender-specific business or property financing. Compare contribution, repayment, collateral, guarantees, prepayment terms and any balloon.

Investment-property financing

Start here when the property is principally for rental income. A small residential rental may use a separate DSCR path. Do not assume passive rental investment qualifies for SBA.

SBA rules changed in October 2026. Contribution, underwriting and acquisition requirements are transaction-specific. Confirm current rules with the lender; do not rely on a universal down payment claim.

Your financing roadmap.

Your lender may sequence these steps differently. Timing depends on the file, transaction and required reports.

01. Tell us your goal

Describe the project, location, amount and timing. Estimates are fine when labeled.

Who helps: You + Paul

02. Check the financing fit

Review ownership, business activity, experience, credit, available cash and repayment with the appropriate lender/specialist.

Who helps: Paul + lender/specialist

03. Build a complete file

Gather requested records, mark missing items and use the transaction's secure upload channel.

Who helps: You + CPA + loan team

04. Understand the proposed terms

Compare rate type, payment, loan term, amortization, fees, guarantees, collateral and conditions.

Who helps: You + lender + attorney

05. Complete underwriting and diligence

Answer lender questions; coordinate valuation, appraisal, environmental or other reports when required.

Who helps: Lender + CPA + attorney + report providers

06. Clear the closing list

Confirm contracts, insurance, entity authority, funds, signatures and the final sources-and-uses statement.

Who helps: You + lender + closing team

07. Confirm funding and stay organized

Verify disbursement, payments, reporting duties, insurance and any future maturity or draw requirements.

Who helps: You + lender/servicer

Build the core file.

Commonly requested starting items. The lender confirms the exact documents and periods. Read the page for your transaction next.

[] One-page project summary

State your goal, business/property location, total budget, requested financing, available contribution and deadlines.

[] Owners and experience

List all direct/indirect owners and percentages; prepare resumes and identification for the secure lender intake.

[] Business financial history

Commonly requested: available tax returns (often three years), current P&L, balance sheet, prior-year comparison and business statements. Your lender sets the periods.

[] Personal financial information

Prepare the requested personal returns, personal financial statement and evidence of contribution/reserves. Send only through the verified secure channel.

[] Business debt schedule

List each lender, current balance, monthly payment, collateral and maturity. Include leases, lines and other obligations.

[] Entity and operating records

Formation documents, EIN record, ownership agreement/bylaws, business licenses, operating leases and relevant contracts.

[] Source of your contribution

Document where cash comes from and what remains after closing. Explain large transfers; do not assume borrowed funds or a seller note will qualify.

[] Business plan and assumptions

Describe customers, management, competitors, operating plan and repayment. Use supportable projections where requested.

[] Lender and program forms

Use the current forms your lender requests. SBA Form 1919 or Form 413 may apply; do not use an old internet form without checking.

[] Questions and missing items

List what is unavailable and who can help. If the business is new, say so; never invent financial history.

Buy a business

Discuss an eligible SBA 7(a) or conventional acquisition loan. Clarify whether you are buying assets or ownership interests, and whether the building is included.

First action: Start with the asking price, seller financials, proposed deal terms and your industry experience.

ADD THESE ITEMS TO YOUR CORE FILE

[] Seller financial package

Ask for available business tax returns, current financial statements and a clear explanation of owner adjustments. Verify the numbers with your CPA.

[] Purchase terms and asset list

Bring the draft LOI or contract; identify assets, inventory, liabilities and any real estate included.

[] Lease and transition plan

Obtain the lease, renewal options, assignment requirements, licenses and seller training proposal.

[] Operating forecast

Explain sales, staffing, expenses, owner pay and cash needs after takeover. Include a downside case.

What I already have

What I need to request, and from whom

My biggest question

Do not send confidential documents through ordinary email, text or public chat. Request a verified secure portal. Mark missing information honestly; do not create history that does not exist.

Buy a building for my business

Discuss conventional commercial real estate, SBA 7(a) and SBA 504 where eligible. Occupancy and the operating business must be reviewed.

First action: Bring the property details, how much space your company will use, and a full purchase/improvement budget.

ADD THESE ITEMS TO YOUR CORE FILE

[] Property and occupancy summary

Identify address, use, rentable area, space your business will occupy and space leased to others.

[] Purchase agreement and property records

Gather proposed terms, taxes, insurance information, existing leases and known condition or environmental issues.

[] Improvement plan

Include contractor estimates, equipment, permits when applicable, contingency and timing.

[] Business/property ownership structure

Explain whether separate entities will own the building and operate the business. Lender and attorney review is needed.

What I already have

What I need to request, and from whom

My biggest question

Do not send confidential documents through ordinary email, text or public chat. Request a verified secure portal. Mark missing information honestly; do not create history that does not exist.

Buy an investment property

Start with commercial investment-property financing. Ordinary passive rental investment generally does not fit SBA. A small residential rental may follow a separate DSCR path.

First action: Prepare the rent roll, leases, operating expenses, purchase terms and cash contribution.

ADD THESE ITEMS TO YOUR CORE FILE

[] Rent roll and leases

List each unit or tenant, rent, lease dates, deposits, vacancies, concessions and payment history.

[] Property operating history

Request income/expense statements, taxes, insurance, utilities, repairs and management costs; identify deferred maintenance.

[] Property details and diligence

Bring the contract/LOI, property description and existing reports. Ask the lender before ordering reports.

[] Ownership and exit plan

Explain the borrowing entity, experience, reserves, hold period and any loan maturity or refinance risk.

What I already have

What I need to request, and from whom

My biggest question

Do not send confidential documents through ordinary email, text or public chat. Request a verified secure portal. Mark missing information honestly; do not create history that does not exist.

Equipment or working capital

Discuss a business term loan, equipment financing, a line of credit or eligible SBA financing. Smaller needs may fit an SBA microloan through an approved intermediary.

First action: Separate one-time purchases from recurring operating needs. Explain how the funding will be repaid.

ADD THESE ITEMS TO YOUR CORE FILE

[] Detailed use-of-funds budget

Separate equipment, inventory, payroll, improvements and other uses. Attach vendor quotes.

[] Cash-flow forecast

Show expected collections and payments, seasonal swings and the time between paying suppliers and receiving customer cash.

[] Receivables and payables aging

If requested, list unpaid customer invoices and supplier bills by age.

[] Equipment and existing liens

Identify equipment cost, useful life, vendor, installation expense and any financing or liens already attached.

What I already have

What I need to request, and from whom

My biggest question

Do not send confidential documents through ordinary email, text or public chat. Request a verified secure portal. Mark missing information honestly; do not create history that does not exist.

Refinance a business loan

Discuss conventional refinance and eligible SBA refinance options. The original use of the debt and the reason for refinancing matter.

First action: Bring current loan terms, payoff information, payment history and the improvement you want to achieve.

ADD THESE ITEMS TO YOUR CORE FILE

[] Existing loan documents

Gather notes, security agreements, guarantees, rate/reset terms, maturity dates and prepayment provisions.

[] Payoff and payment history

Request a current balance, estimated payoff and recent loan statements; disclose late payments.

[] Original use of funds

Explain how the existing loan proceeds were used and provide supporting records when requested.

[] Refinance comparison

Compare payment, remaining term, total financing cost, new fees and collateral; a lower payment may extend repayment.

What I already have

What I need to request, and from whom

My biggest question

Do not send confidential documents through ordinary email, text or public chat. Request a verified secure portal. Mark missing information honestly; do not create history that does not exist.

LOI planning worksheet.

For discussion with your attorney and financing team. This is not an LOI or contract to sign. A buyer's purchase LOI is different from a lender's term sheet.

People and property

Exact buyer/seller legal names; business or property being purchased; who has authority to sign.

Notes: _____

What is changing hands?

Assets or ownership interests? Include/exclude real estate, equipment, inventory, receivables, cash and assumed liabilities.

Notes: _____

Price and allocation

Proposed price, allocation among assets, inventory/working-capital adjustments and who verifies the figures.

Notes: _____

Deposit and refund rules

Amount, due date, escrow holder, refund conditions and when money could become nonrefundable.

Notes: _____

Financing terms to discuss

Financing contingency, deadline, required cooperation and any seller note. Lender must approve seller financing treatment.

Notes: _____

A label such as "nonbinding" does not resolve every legal issue. Ask counsel which provisions create obligations, including deposits, confidentiality, exclusivity and expenses.

Protect the important details.

Use these prompts before agreeing to deadlines or paying nonrefundable money.

Due diligence

Time to review records, inspect, evaluate value and condition, and investigate legal, tax, environmental and operating issues.

Notes: _____

Lease, licenses and people

Assignment/landlord consent, required licenses, franchise approval, key employees and transition/training support.

Notes: _____

Dates and responsibilities

Target closing, contingency dates, document-delivery dates, expiration and who pays transaction expenses.

Notes: _____

Potential binding clauses

Ask your attorney about confidentiality, exclusivity, deposits, expenses, governing law and remedies.

Notes: _____

Attorney and lender review

Do not sign this worksheet. Have counsel draft/review the actual LOI and contract; financing approval is separate.

Notes: _____

Document check: purchase LOI = proposed deal; lender term sheet = proposed financing; purchase agreement = sale contract as drafted; loan commitment = lender commitment subject to conditions. Funding is a separate milestone.

Plan cash and repayment.

Hypothetical example. These numbers are not an available loan offer, required equity percentage or approval threshold.

Project uses	Illustrative amount	Your estimate
Purchase price	\$500,000	
Improvements / equipment	\$40,000	
Transaction costs	\$10,000	
Operating cash included	\$50,000	
Total project uses	\$600,000	
Less proposed financing	(\$480,000)	
Project funding gap	\$120,000	
Separate reserves retained	\$30,000	
Cash including retained reserves	\$150,000	

Avoid double-counting operating cash and separate reserves. Ask which expenses can be financed and whether each funding source is acceptable.

A simple commercial-property coverage example

\$150,000 underwritten annual NOI / \$120,000 annual debt service = **1.25x**. A 15% reduction in NOI gives \$127,500 / \$120,000 = **1.06x** (rounded). The remaining \$7,500 is before unmodeled costs and taxes, not net spendable cash.

Check term and amortization

A loan with payments based on 25 years may still mature after 5 years. Ask for the remaining balloon balance and a realistic payoff plan. Future refinancing is not guaranteed.

Loan comparison worksheet.

Request written terms. Read conditions and fee refund policies. A preliminary quote is not final approval.

Question	Option A	Option B
Lender / loan program		
Loan amount / financed fees		
Cash contribution / separate reserves		
Rate: fixed or variable? Reset rules?		
Monthly payment / debt service		
Term / maturity date		
Amortization / balloon amount		
Origination, broker and third-party fees		
Prepayment provisions		
Collateral / personal guarantees		
Conditions / required reports		
Reporting duties / covenants		
Estimated timeline and key dependencies		

Have your attorney explain guarantees and collateral obligations. Have your CPA evaluate financial assumptions and tax implications.

Keep the last mile clear.

Track each condition with an owner, a due date and a status. Confirm actual disbursement with the closing team.

[] Final documents

Confirm the buyer/borrower entity, authorized signers, purchase terms and loan terms.

[] Money and fees

Reconcile the final sources and uses, contribution, costs and reserves.

[] Required conditions

Confirm insurance, title, lease/landlord, licenses, reports and lender requirements.

[] Safe payment instructions

Call a trusted number independently confirmed. Do not rely on an unexpected email changing bank details.

[] Funding confirmation

Signing or conditional approval alone does not prove funds were released.

[] After closing

Calendar payments, reporting, covenants, insurance renewals, draw conditions and maturity.

Open item	Responsible person	Due date / status

Keep this reference handy.

P&L

Profit and loss statement: income and expenses over a period.

Working capital

Money supporting day-to-day business operations.

Debt schedule

A list of borrowing obligations, balances, payments, collateral and due dates.

DSCR

Debt service coverage ratio: qualifying cash flow divided by required debt payments; lender definitions vary.

Term / maturity

When the loan must be repaid; it may differ from the amortization period.

Collateral / lien

An asset securing the debt / the lender's legal claim against it.

CDC

Certified Development Company: a nonprofit participant in SBA 504 financing.

Due diligence

Checking financial, legal, property and operating facts before committing.

Balance sheet

What a business owns, owes and has in equity on a particular date.

Equity injection

Your required contribution to the project; its amount and source must be acceptable to the lender.

NOI

Net operating income: property operating income less operating expenses, before debt service; lender adjustments vary.

Amortization

The repayment schedule used to calculate principal and interest payments.

Balloon

A remaining lump sum due at maturity. A future refinance is not guaranteed.

Personal guarantee

A person's promise to repay the debt under the guarantee's terms.

Covenant

An ongoing promise in loan documents, such as supplying financial reports.

Sources and uses

Where project funds come from and what they will pay for.

Good questions start here.

This workbook pairs with the interactive Commercial & SBA page and six Paul Singh avatar lessons.

SBA 7(a)

SBA 504

SBA microloans

SBA borrower preparation

Current SBA origination manual

SBA occupancy requirements

SBA personal financial statement

Live Oak application preparation

Live Oak application process

Live Oak acquisition agreements

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