



# *NEWS RELEASE*

## **PRESS OFFICE**

---

**Massachusetts District Office  
10 Causeway Street  
Boston, MA 02222  
Phone: 617-565-5590**

**Contact: Joan M. Trudell  
Public Information Officer  
Phone: 617-565-5572  
joan.trudell@sba.gov  
Fax: 617-565-5597**

---

October 12, 2005  
Press Release 2006-1

**SBA Spurs Economic Growth in Massachusetts  
with 3,148 Loans Totaling \$368 Million**  
*SBA Loans in New England Top \$1 Billion for the First Time in 2005*

**BOSTON** - Massachusetts small business owners received 3,148 loans totaling \$368 million, a record dollar total, from the U.S. Small Business Administration in 2005 (the period from October 1, 2004 through September 30, 2005) through its two main business loan programs according to Massachusetts SBA Director Maurice L. Dubé. SBA loans range in size from \$100.00 microloans to \$4 million real estate loans.

The SBA guaranteed 2,986 loans through its flagship 7(a) Loan Guaranty Program for a total of \$287 million. These loans are available to purchase or construct real estate, equipment and inventory, to finance fixtures and leasehold improvements, and for working capital.

The Certified Development Company/504 Loan Program posted its best year ever with 162 loans totaling \$81 million. These loans are used to construct, purchase or rehabilitate fixed assets such as land, buildings and machinery and equipment.

The SBA guaranteed 7,879 loans in the six New England states totaling more than \$1 billion, a record year in dollars. Nationally, small businesses turned to the SBA in record numbers in fiscal year 2005, securing 97,891 loans worth \$19 billion.

“Our partnerships with 109 different lending institutions enabled us to help thousands of Massachusetts small business owners this year,” said SBA Massachusetts Director Dubé. “This is a great way to stimulate our economy since small businesses employ more than 50% of all private sector employees and generate between 60 to 80 percent of net new jobs.”

In 2005, Citizens Bank was the #1 SBA lender in Massachusetts for the fifth year in a row both in number of loans and dollars with 1,229 loans totaling \$55 million, while Bank of America was second with 401 loans totaling \$14 million. Sovereign Bank was third with 181 loans totaling \$14 million.

SBA's lending partnerships cover the entire state, and while the larger banks produce the greatest number of loans, community banks are also active SBA lenders. Among the top ten lenders are: TD Banknorth, Capital One Federal Savings Bank, Eastern Bank, BankFive (formerly the Fall River Five Cents Savings Bank), the Bank of Western Massachusetts, Heritage Co-operative Bank and Danversbank. To view the complete bank ranking list for 2005, including the number of loans and dollar totals credited to each lending institution, click on the following link: <http://www.sba.gov/ma/loanvolume05.html>.

Waltham-based Bay Colony Development Corp. was SBA's leading Certified Development Corp. (Section 504) lending partner in Massachusetts with 51 projects totaling \$26 million, while Taunton-based SEED Corp. was second with 41 projects adding up to \$16 million. New England Certified Development Corp. of Wakefield finished in third place with 26 projects totaling \$15 million. Enterprise Bank & Trust Company was the top 504 private sector lender. Community Bank and Sovereign Bank round out the top three lenders in this category.

SBA also trained and counseled more than 33,000 prospective and existing business owners in Massachusetts in 2005 as a result of SBA's entrepreneurial development efforts in partnership with the Massachusetts Small Business Development Center Network, SCORE, *Counselors to America's Small Business*, and the Center for Women & Enterprise, SBA's official women's business center in Massachusetts.

For more information about SBA programs and services visit our website at [www.sba.gov/ma](http://www.sba.gov/ma) or call the Massachusetts District Office at (617) 565-5590.

###