



Regalis Capital Explains the SBA's New \$10 Million Combined Limit in Buyer Terms

The SBA doubled the combined 7(a) and 504 limit to \$10 million. Regalis Capital explains what changes for a buyer whose target owns its building.

DOVER, DE, UNITED STATES, September 12, 2026 /EINPresswire.com/ -- A small business can now reach up to \$10,000,000 across the SBA's two main lending programs on the same project, double the ceiling that applied before this summer. Regalis Capital, a done-for-you business acquisition service at regaliscapital.com, says the change lands hardest on one specific buyer: the person buying a company that also owns the building it operates from.

The new limit took effect July 4, [the Small Business Administration said in its own announcement](#), following the agency's May 18 notice that it was doubling the cumulative cap. The mechanical change is small to read and large to use: an outstanding 7(a) balance no longer reduces the amount of 504 financing available, so a business can reach up to \$5,000,000 in each program instead of \$5,000,000 across both.

The two programs do different jobs. The 7(a) program is the one most acquisition buyers already know, and it covers the purchase of the operating business itself, including goodwill and working capital. The 504 program covers long term fixed assets, mainly commercial real estate and heavy equipment, and it is delivered through a Certified Development Company alongside a bank.

Here is the practical version. Take a company priced at \$4,000,000 that also owns the \$3,000,000 building it works out of. Before July 4, a \$4,000,000 7(a) loan for the business consumed most of the combined cap and left roughly \$1,000,000 of 504 capacity for the real estate, so the buyer either found separate financing for the building, leased it back from the seller, or walked away from the property. Since July 4, the same buyer can use 7(a) for the business and 504 for the building, up to \$5,000,000 in each, with the buyer's own equity injection on top, and with the SBA's separate equity injection rules taking effect October 1, 2026 (SBA Information Notice 5000-880695, <https://legacy.sba.gov/document/information-notice-5000-880695-issuance-sop-50-10-81>) applied to the acquisition side.

Regalis Capital is not a lender. These figures are illustrative arithmetic based on the SBA program limits described in this release as of September 10, 2026, and are not an offer of credit or a commitment to lend. Actual terms are set by the lender and vary by borrower and deal.

The ceiling may not be finished moving. SBA Administrator Loeffler has publicly argued for raising the \$5,000,000 cap that still applies inside a single program, in remarks reported by Forbes on July 27. Buyers should plan against the rules as written today and treat any further increase as a bonus rather than a strategy.

"For most buyers this changes nothing at all, and for the buyer of a business that owns its real estate it changes the whole search," said the Regalis Capital team. "That buyer used to have to choose between the company and the building, or invent a structure around the gap. Now the two can be financed side by side and the question goes back where it belongs, which is whether the business is worth owning."

One caution worth stating out loud: a bigger limit is not a bigger budget. The debt service coverage a lender needs, the quality of the earnings, and the buyer's own cash still decide the deal, and a property bought at the wrong price is a problem the SBA cap cannot solve.

Buyers deciding which program fits their deal can read the [free Regalis Capital guide comparing the two programs](https://learn.regaliscapital.com/guides/sba-7a-vs-sba-504/) at learn.regaliscapital.com/guides/sba-7a-vs-sba-504/. It is written in plain language, open to anyone, and asks for no signup.

About Regalis Capital

Regalis Capital is a done-for-you business acquisition service that helps buyers find, value, negotiate and finance small business acquisitions, most of them with SBA 7(a) loans. The firm has over \$300M under contract and closing and works with 150+ active buyers. Learn more at regaliscapital.com.

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