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Life Insurance for SBA and Business Loans

Life Insurance for SBA and Business Loans shouldn't be left to inexperienced agents. SBA Loans continue to serve as the fuel that drives the growth of the American economy. However, the 2025 recession—driven by persistent inflation, global supply constraints, and higher borrowing costs—has slowed expansion in some industries while reshaping how entrepreneurs access capital. Despite tighter credit conditions, small business formation has remained remarkably strong. The U.S. saw roughly 4.7 million new businesses launched in 2025, underscoring continued entrepreneurial resilience and confidence amid economic headwinds.

SBA loan activity has also reached unprecedented levels. In Fiscal Year 2025, the SBA guaranteed over 84,000 loans totaling approximately \$44.8 billion, representing the highest lending volume in SBA history. Even as lending standards tightened midyear under the revised SOP 50 10 8 regulations, loan dollars approved per borrower rose significantly, especially for established and growing enterprises. Construction, retail, and food service industries led borrowing, helping businesses sustain operations and expand despite a challenging economic environment.

Each year, tens of thousands of businesses rely on these SBA-backed loans—and in 2025, that number is larger than ever. These loans are vital for success, yet traditional life insurance agents often struggle to process SBA-required life insurance quickly, causing delays in loan closings and increased stress for lenders and borrowers alike.

What if an insurance partner could consistently underwrite borrowers, produce a policy, and execute collateral assignments in 3–5 business days? Wouldn't that make a significant, positive impact on your borrowers' loan experience?

The LifeEase Difference

LifeEase works with hundreds of lenders across the country, and the story is consistent: underwriting and collateral assignments are often the bottlenecks that delay closings. Traditional agents tend to push paper-based methods and old-school approval workflows—exactly what modern lenders can't afford during tight economic cycles. Loan officers tell us time and again that outdated insurance processes slow down fundings, frustrate borrowers, and jeopardize deals.

That's why LifeEase built a streamlined, proprietary online platform connecting lenders and borrowers directly to the most competitive insurance policies on the market. Our advanced digital systems accelerate both policy issuance and collateral assignment delivery—allowing lenders to close loans faster, even during periods of high demand.

Policy in Days, not Weeks

By securely obtaining medical history electronically, LifeEase can approve most applicants for up to \$5 million in life insurance coverage with no medical exam in under 30 minutes. That speed not only

reduces underwriting friction but also allows policy documents and collateral assignments to be delivered in as little as 1–2 business days.

Gone are the days of losing clients due to antiquated insurance practices or administrative bottlenecks. Don't risk closing delays by relying on inexperienced local agents. With LifeEase, life insurance for SBA and business loans fits seamlessly into the lending process—ensuring that coverage and closing timelines finally align.

Summary

In 2025, small business owners face both heightened challenges and new opportunities. Despite recession pressures and a more difficult borrowing environment, entrepreneurship in the U.S. remains vibrant, with millions of new businesses launched and record-high SBA lending. Life insurance remains a critical component of most SBA loans, protecting both lenders and business owners from unforeseen risks. By leveraging technology and specialized expertise, LifeEase accelerates insurance and collateral assignments, helping ensure that life insurance requirements never stand in the way of a timely loan close.

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Disclosure: LifeEase benefits from the sale of life insurance products. That said, we are passionate about the appropriate and proper use of such products and maintain a commitment of the highest ethical standard to always put the lender and borrower/policy owner in the best position possible to succeed.