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504 LOAN PROGRAM

April Interest Rates on SBA 504 Loans are at a record low – 5.16%

(April 20, 2009) – Small Business Growth Corporation reports that the interest rate for a 20-year SBA 504 loan has hit a record low for the projects funded in April 2009. This rate is the lowest it has been since the program's inception in 1986. The April debentures that funded this month's SBA 504 loans were sold to investors at an interest rate of 4.31%. This low rate, coupled with the new fee reductions provided by the Congressional stimulus bill, led to an effective interest rate of only 5.16% for this month.

This is truly an historic opportunity for access to long term capital for small businesses right now. Borrowers can access this incredible 20-year, fixed rate for a commercial loan with as low as a 10% down payment. The low rate, coupled with the stimulus bill fee reductions and the continuation of the elimination of the SBA's borrower fee, are making the 504 loan program very attractive to small business owners.

The 504 Loan Program provides long-term, fixed rate financing for commercial real estate. Since its inception, the 504 Loan Program has funded nearly \$40 billion in loans to growing small businesses. Small business borrowers are increasingly taking advantage of these record low rates to purchase, build or expand their own facilities.

In April, a total of just over \$8.5 million dollars in SBA 504 loans for 11 small business projects, creating or retaining nearly 90 jobs – were funded by Small Business Growth Corporation. Eleven expansions make up the current list of small business projects in the state and encompass a range of businesses including health care, manufacturing, and retail.

In fiscal year 2008, Small Business Growth Corporation funded 204 loans, totaling nearly \$131 million in small business financing...and those numbers are just for the Midwest alone. Nationwide, the 504 Loan Program funded 8,872 loans totaling \$5.3 billion dollars. Pretty impressive numbers for a program that continues to go underused. For small business owners who are looking to expand their business, 504 financing is available. The

economic crisis should not be a deterrent from following through with expansion plans – financing alternatives are available and the 504 Loan Program can help.

CDC's are located in every state and can be found through www.nadco.org or by contacting any local commercial bank that participates in SBA lending.

About Small Business Growth Corporation

Founded in 1982, Small Business Growth Corporation (Growth Corp) is a not-for-profit Certified Development Company that works in conjunction with financial institutions to provide financing assistance to small businesses throughout the entire state of Illinois, and parts of Missouri, Indiana, Iowa, and Kentucky. Growth Corp is committed to the promotion of small business expansion and job creation through the 504 Loan Program.

Based in Springfield, Illinois, Growth Corp is the largest CDC in the Midwest and one of the top ten CDC's nationwide. For more information, please call (217) 787-7557 or visit www.growthcorp.com.

***Editor's Note:** Local success stories of entrepreneurs using 504 Loans available upon request.*

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