



Expanding your lending options and thinking...

...OUTSIDE THE BOX

SBA 504 Loan Program

Think 504 When...

- ✓ Business owner wants to preserve working capital
- ✓ A balloon payment is coming due on a commercial mortgage
- ✓ The business is buying real estate as part of a business acquisition
- ✓ A business owner wants to sell his/her share of real estate to the other owners
- ✓ Refinancing a commercial loan(s)
- ✓ Financing heavy machinery or equipment
- ✓ The business is looking to add multiple retail locations
- ✓ You are seeking long-term fixed-rate financing
- ✓ A 25-yr loan could help manage operating capital

504 Benefits?

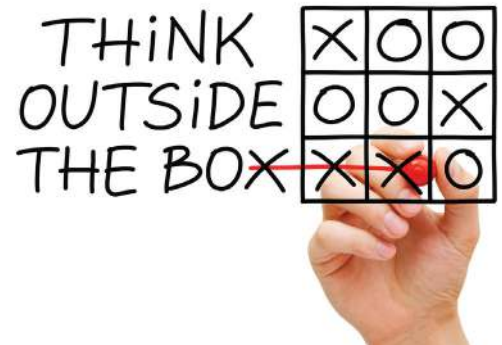
SBA 504 loans are attractive to borrowers because they offer a great opportunity for fixing occupancy costs with a long-term, fixed-rate loan and a minimal down payment. More and more borrowers are seeing the upside to buying their properties, or refinancing into long-term, fixed-rate loans, while interest rates are still low.

- Low down payment (10% in most cases)
- Low, fixed interest rate and long loan term
- Payment stability
- Includes soft costs (furniture, fixtures and fees)
- Preserves working capital
- Protection from balloon payments
- Can include leasehold improvements

Will your project qualify?

If you answer "yes" to the following questions, your project will likely qualify for the 504 Loan Program:

1. Will the project finance fixed assets such as building construction, the purchase of an existing building and/or long-term equipment?
2. Is the business for-profit and located in the United States?
3. Does the business, including affiliates, have a tangible net worth of less than \$15 million and after-tax profits, averaged over the last two years, of less than \$5 million?
4. Will the business occupy at least 51% of the project property for existing buildings or 60% of the project property for new construction? Or, will the equipment be used for business operations?



Project-Specific 504 Solutions

Expansions		Refinancing	Green Energy
Building acquisitions	Machinery/equipment	504-eligible real estate loan(s)	New builds w/ sustainable energy
Land purchases	Improvements	504-eligible machinery/equipment loan(s)	Energy efficient upgrades
New construction	Furniture and fixtures	Lines of credit	Energy generating equipment
How the 504 Helps		How the 504 Helps	How the 504 Helps
Long-term fixed rates		Eliminates balloon payments	Removes \$ limit on 504 portion
Predictable payments		Fully amortized	Borrowers can take multiple loans
No future balloons		Existing equity=down payment	Slashes the bank's risk to 50%
Low down payments		Can provide a cash-out option	Up to \$5.5 million per project