



SBA 504 Loans Now Can Be Larger!

Breaking News

December 8, 2004

Economic Development Foundation - Certified
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What's New?

The SBA 504's 40% portion can now be larger.

Previous Maximums:

\$1,000,000 on general projects

\$1,300,000 public policy projects

New Maximums:

\$1,500,000 general projects

\$2,000,000 on public policy projects

\$4,000,000 for small manufacturers

You can now offer more customers a larger SBA 504 loan. Or if your customers already have SBA financing, they are eligible to receive additional financing if necessary.

We've thought up lots of scenarios where we can help businesses with their financing needs. Give Mark Venema or Jennifer Okhuysen a call if you want to run a project by us. We are happy to help.

And don't worry, we still like the small projects too!

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Here's an Example Of What Can Be Done:

Mr. R. Nail owns a hammer manufacturing business in Michiganton. He has an opportunity to purchase the facility that he is leasing and add a few machines. Total project is \$10,000,000. Before you wouldn't think SBA 504—Now you can!

\$10,000,000	Total Project
\$5,000,000	Bank— 50% LTV
\$4,000,000	SBA 504—40%
\$1,000,000	Borrower Equity—10%

Rusty appreciates the fixed interest rate and the long term with the SBA 504 loan. The \$4,000,000 loan will be financed over 20 years and the interest rate will be fixed for the entire term. Not to mention, Rusty is able to put just 10% down on the property and retain his additional cash for short-term working capital needs.