

America is built on the small business.
Small business is built with a *504*

THE SBA 504 LOAN PROGRAM

is an economic development loan program that provides a small business with long-term, fixed-rate financing. Business owners can buy, build, or remodel their commercial and industrial buildings with a minimum investment through the SBA 504 Loan Program. Equipment financing is also available.

**CAPITAL CERTIFIED DEVELOPMENT CORPORATION
(CAPITAL CDC)**

is a leading private, non-profit provider of business financing solutions throughout Texas and New Mexico. In 1993, the U.S. Small Business Administration (SBA) certified Capital CDC to act as a provider of the SBA's 504 Loan Program and to act as a catalyst for economic development. Since that time, Capital CDC has worked with hundreds of small businesses and partnered with numerous financial institutions to assist with their financing needs.



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HEADQUARTERS

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We look forward to hearing from you.
To learn more about Capital CDC, contact us at (877) 504-PROS, or visit www.capitalcdc.com



FINANCIAL SOLUTIONS

Elevating the small business to new heights.

SBA 504





The Capital CDC Difference...

Choosing the right lender for a 504 loan is critical. Our skilled staff has helped to gain more 504 project approvals than any other 504 lender in Texas or New Mexico. Experience the Power of a Shared Vision... Experience the Capital CDC Difference:

- Continuity of service quality with dedicated staff located throughout the States of Texas and New Mexico – we have the people where you need us most!
- Efficiency through continual process improvement and transparency of our lending practices makes for a streamlined loan experience
- From our Business Development Officers assisting with product education, to our Loan Closing Staff insuring that the small business gets the money they deserve - Capital CDC has invested in the resources to make loans happen.
- Number one ranked CDC in our SBA Five State Region – Experience Matters!

Helping small business owners turn their dreams into reality isn't just one of our services—it's all we do. **Experience, Process Efficiency, and Professionalism:** these qualities are what enable us to provide a distinct set of advantages to our customers.

➤ We understand that small business owners are looking for the very best loan solution, and that securing this loan is a monumental step in the life of a small business.

LOAN PROGRAM CRITERIA

The SBA 504 Loan is primarily designed to assist healthy, expanding businesses that have been in operation for more than two years. In certain instances, the SBA 504 Loan may also be used to finance start-up businesses.

ELIGIBLE BUSINESSES

Most for-profit, owner occupied small businesses in the U.S. with a net worth less than \$7.5 million and net profit after tax (2 year average) of no more than \$2.5 million; or manufacturer with less than 500 employees.

ELIGIBLE USE OF FUNDS

- Purchase of land, building, long-term machinery and equipment (real estate must be at least 50% owner occupied)
- Land improvements
- Renovation or addition to an existing building
- Construction of a new building
- Professional Fees
- Lender's Interim Points & Interest

LOAN STRUCTURE

Capital CDC must partner with a commercial lender on the SBA 504 Loan. Typically, Capital CDC finances 40% of the project, a lender will finance 50%, and the borrower contributes as little as 10%. Additional equity will be required for start-ups and special-use properties. In the end, the borrower has two separate loans – one with the lender and one with the Capital CDC/SBA.

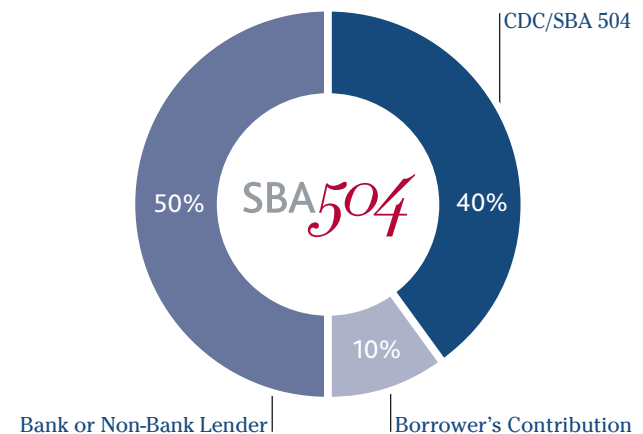
ADVANTAGES FOR SMALL BUSINESSES

- Lower down payment requirements. Borrow up to 90% of your financing needs, which in turn will preserve your working capital. Most soft costs may be rolled into the project financing.
- Longer repayment terms. Real estate can be financed for 20 years, making your monthly loan payment more affordable.
- Low, fixed interest rates. The low interest rate is fixed for the life of your SBA loan. No need to worry about the interest rate going up.
- Decreased risk for banks – makes most deals happen!

MAXIMUM LOAN AMOUNT (SBA PORTION OF LOAN)

- \$1.5 million (Typical Project)
- \$2 million (For projects that meet a Public Policy Goal such as rural development, or if the business is woman, minority or veteran owned)
- \$4 million (Manufacturers)
- No maximum limit on participating lender's loan portion

TYPICAL SBA 504 LOAN STRUCTURE (\$1,000,000 PROJECT EXAMPLE)



| | | |
|-------------------------|-----|-----------|
| Bank or Non-Bank Lender | 50% | \$500,000 |
| CDC/SBA 504 | 40% | \$400,000 |
| Borrower's Contribution | 10% | \$100,000 |