

# SBA 504 GREEN ENERGY LOAN PROGRAM AN INSIDER'S GUIDE

## WHAT IS THE 504 GREEN ENERGY LOAN PROGRAM?

Business owners looking to purchase commercial real estate can secure multiple SBA 504 Loans (up to \$5.5 million maximum SBA/CDC contribution) for each project that meets SBA's green energy standards.

## BENEFITS

### Larger SBA/CDC Loan Amount

SBA maximum contribution increases to \$5.5 million cap with no maximum total project limit.

### Non-Aggregated Lending

Borrowers can have multiple SBA 504 Green Project loans with no limit on how much capital is currently borrowed (up to the maximum SBA/CDC contribution of \$5.5 million per project). However, the total SBA/CDC contribution on multiple loans is capped up to \$16.5\* million for the same business owner. (\*available when combined with Goal #1 or #2.)

### Save Money

Reduction in energy costs will have long-term financial benefits for the business, while most energy improvements/equipment can be financed within the loan.



## ELIGIBILITY

Borrowers need to only meet one of the following goals to qualify:

### GOAL #1

#### Reduce energy use by at least 10%

Improvements to a building currently occupied by the borrower must show a minimum of 10% reduction to energy usage (compared to historical consumption) through upgrades in equipment such as improved lighting, insulation, HVAC, and other energy consuming equipment.

### GOAL #2

#### Renewable Energy Sources that Generate at least 15% of the energy used

The property must have upgrades performed that generate at least 15% of the energy at the project facility. Energy that can be produced includes solar, wind, geothermal, hydropower, and biomass.

### Increased Use of Sustainable Designs

Increased use of sustainable design, including designs that reduce the use of green-house gas emitting fossil fuels or low-impact design to produce buildings that reduce the use of non-renewal resources and minimize environmental impact.

### Questions?

Capital CDC will work in conjunction with our energy consultant to get you the answers you need.

### HEADQUARTERS

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