

# SEDA-COG

Local Development Corporation

*"Your Small Business Financing Partner"*



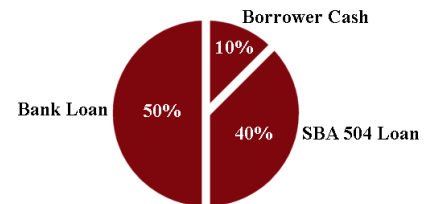
## SBA 504 FACT SHEET For Lenders

Benefits to Using the SBA 504 Loan Program:

- Spread the risk – Loan-to-value reduced to 50%
- Service – Shows that you are looking out for your client's best interest
- Stand Out – Offer a competitive financing package in a competitive environment
- Specialized Markets – Participate in specialized industry sectors
- Keep the Relationship – Participate in larger deals
- Re-pricing Capability – Your rate can adjust with the market
- Shorter Term – You can be paid out first
- Fixed Rate Portion – Lowers interest rate risks
- Hedge Rates – Client protected from rising rates
- Market for First Mortgage – Premium for sale of first mortgage
- Capital Markets – Client gets access to capital markets without high cost
- CRA – CRA credits for the lender

To find out more about the SBA 504 program and how partnering with SEDA-COG can benefit your lending institution give us a call. We would be happy to discuss the program in general or talk about a specific project you feel might be a fit for the 504 program.

Typical SBA 504 Loan Structure  
(\$1,000,000 project example)



Bank Loan	50%	\$500,000
SBA 504 Loan	40%	\$400,000
Borrower Cash	10%	\$100,000



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