



The FFCFC 504 Loan Program: A Unique Alternative for Small Business Fixed Asset Financing

You may not realize it but the Small Business Administration's (SBA) 504 Loan Program is perhaps the best kept secret for commercial fixed asset financing today.

The 504 loan program is designed to help small business owners acquire fixed assets – commercial real estate and/or long-life machinery and equipment – without the financial hassles and high cash outlay requirements often associated with conventional financing programs.

Loan Structure

- The key to the 504 loan program is its distributed credit structure: a commercial bank provides financing for 50% of the project and takes a first lien position; FFCFC provides 40% of the project financing (SBA portion) and takes a second lien position; and the small business owner provides a down payment of just 10%.

Program Benefits

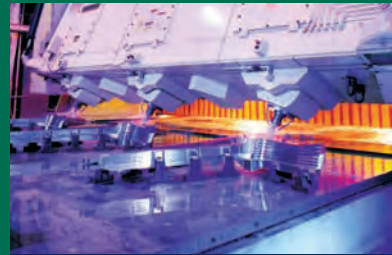
- Up to 90% financing at below-market, true fixed interest rates with long amortization terms (up to 20 years).
- **(NEW)** Loan amounts up to \$5 million for standard and public policy projects and \$5.5 million for manufacturing and green initiative projects (SBA amounts only; no limit on overall project dollar size; permanent program change).
- **(NEW)** Debt refinancing to be used for refinancing of qualified existing debt without business expansion (temporary program).
- Many 504 loans can be completed in 60 days, which is just as fast as a conventional loan. Pre-approval can occur within 24 to 48 hours, with commitments in days, not weeks.

Qualification Criteria

- Must be a U.S. citizen and the project must be for-profit and located in Florida.
- **(NEW)** Businesses with a maximum tangible net worth of not more than \$15 million and average net income after Federal income taxes (excluding carry-over losses) for the two full fiscal years prior to application of not more than \$5 million are now eligible for 504 financing (temporary until the SBA publishes a permanent regulation).
- Must occupy a majority of the commercial real estate space.

The 504 loan program allows small business owners to enjoy better cash flow as well as the greatest cash-on-cash returns that exist in the commercial mortgage industry. Call FFCFC today for a fast and free pre qualification.

(REV 3-1-11)



504 Highlights:

- Purchase, construction, expansion or renovation of owner-occupied commercial real estate and/or the acquisition and installation of long-life machinery and equipment
- Up to 90% commercial financing.
- Below-market, true fixed interest rates – no ARMs.
- Amortization terms up to 20 years.
- Fees and other up front costs and expenses may be financed in the loan.
- Projects from \$125,000 and up.

About FFCFC:

FFCFC is a statewide, nonprofit, federally regulated certified development company which administers the 504 loan program on behalf of the Small Business Administration. FFCFC prepares the loan documents and handles all of the details of the 504 loan, including credit underwriting, approval, closing and servicing of the loan for its life.



*Start your relationship
with Florida First
Capital. Contact a
Loan Officer today.*



**Florida First Capital
Finance Corporation**

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