



Small Business Finance

BOOST YOUR LOAN PRODUCTION WITH SBA-504 REFI

504 REFI GUIDE

Key Guidelines

Can refinance one or more commercial loans that are secured to the same "Eligible Fixed Asset".

Maximum refinance LTV - 90% of the value of collateral pledged for **existing mortgage or secured debt(s)**. Cross collateralization of other fixed assets is allowed to get to 90%.

Maximum refinance LTV - 75% of the value of collateral pledged when **mortgage refinance request also includes "Eligible Business Expenses"**. The aggregate amount of eligible expenses cannot exceed 25% LTV.

Loan(s) to be refinanced must be at least 24 months old and in good standing for the last 12 months.

Business must be operating for 2 or more years with no full or partial ownership changes prior to application.

Appraisal is not required to submit refinance application, but will be a condition of funding.

Business must be at 51% occupancy at the time of application submission.

A CDC can only participate in refinance requests up to 50% of the SBA 504 dollars lent in the prior fiscal year. This will not affect partners like CDC Small Business Finance based on our high loan volume.

Eligible Project Costs

Fees associated with the SBA-504 Refi – appraisal, environmental, title, points/interest on interim financing – can be incorporated into the new loan.

Any expense of the small business now due or becoming due within 18 months of the 504 loan application can be incorporated into the new Refi loan. Exceptions:

- Acquiring a new business
- Acquiring a new property
- Change of ownership with buyout or buy down of co-owner
- Paying off or paying down debt owed to owners
- Paying an owner's personal expenses

Offer SBA-504 Refi to your clients in partnership with the #1 SBA Lender in the Nation, CDC Small Business Finance

- 800.611.5170
- refi@cdcloans.com
- www.cdcloans.com

Let us customize a Refi cost preview for your clients

PROPOSED SBA 504 LOAN STRUCTURE

LO Name: SBA Loan Expert
 Direct: 0000 000-0000
 Cell: 0000 000-0000
 XXXXX@cdcloans.com

SBA 504 Advantages

- 90% financing - minimum 10% down payment
- No additional collateral - the project assets being financed are used as collateral with no lien on residence necessary
- Fixed interest rate - 30 years, fully amortized
- No maximum total project amount - finance a project upwards of \$20 million
- Unlimited loans for manufacturers or "green" projects - a borrower can secure multiple 504 loans with no aggregated lending cap (up to \$5.5M max debt per project) if they are a manufacturer, or if the project meets SBA's "green" standards

Free prequalification for any prospective borrower upon receipt of a complete financial package.

Use of Proceeds

Building Acquisition	\$500,000
Fixed Equipment	\$0
Equipment	\$0
TOTAL PROJECT COSTS	\$500,000

Source of Funds

	Source of Funds	Amount	Rate	Months (Term)	Collateral	Monthly Payment	Actual Payment
LENDER	90.0%	\$2,500,000	4.50%	36 Fixed	1st Trust Deed	\$13,896	\$166,750
SBA 504 LOAN	90.0%	\$2,000,000	4.51%	36 Amortized	2nd Trust Deed	\$13,448	\$163,375
BORROWER	20.0%	\$500,000		36 Amortized			
TOTAL	100.0%	\$5,000,000				\$27,344	\$328,125

We can prequalify your clients for SBA-504 refinancing within 24 hours.