



Serving the entire State of Ohio and Jay, Randolph, Wayne, Franklin, Fayette, & Union counties in Indiana

SBA 504 LOAN PROGRAM

Fixed asset loans for small business expansion needs that are well-suited for construction and renovation projects and/or equipment purchase that will create or retain jobs.

ELIGIBLE FINANCING USES

- purchase of real estate & existing buildings or new construction
- purchase of capital equipment

TYPICAL STRUCTURE

- 50% - from private sector lender
- 40% - from CountyCorp (*guaranteed by the SBA*)
- 10% - equity down payment from the small business (*start-up & limited purpose building may require equity injection up to 20% of project*)

MAXIMUM LOAN AMOUNT

- \$1.5 million (*standard 504 loan maximum*)
- \$2.0 million (*loans that meet a federal public policy goal*)
- \$4.0 million (*loans to small manufacturers*)

TERM

- 10 or 20 years for real estate; 10 years for equipment

INTEREST RATE

- competitive fixed rate for term of loan

COLLATERAL

- second mortgage or lien on assets purchased with the loan

REQUIREMENTS

- business must be a for-profit corporation, partnership, or proprietorship
- net worth of business must not exceed \$8.5 million
- average annual profit after tax may not exceed \$3.0 million for last 2 years
- owners of 20% or more must meet personal resource liquidity standard (*call CountyCorp for more information*)
- one job created for every \$65,000 loaned (*\$100,000 for "small manufacturing"*); must be created within 2 years of closing

INELIGIBLE BUSINESSES

- passive investment companies, not-for-profit corporations, unregulated media firms, lending institutions, gambling, amusement parks, and real estate investment companies

FEES *many of the following fees are temporarily reduced due to the American Recovery & Reinvestment Act of 2009 – call CountyCorp at 937-225-6328 for more details!*

- \$1,500 loan application deposit payable with application (*refundable at closing*)
- Approx. 2 ½% on amount loaned (*financed into your 504 loan*)
- ½% fee on first mortgage loan balance (*paid by bank at closing*)
- CountyCorp attorney fees & closing costs such as title insurance, filing fees, etc. (*up to max of \$2,500*) may be financed