

504 Loan Highlights

We Provide Financing For:

- ☞ Land & Building Acquisition
- ☞ Building Expansion
- ☞ Machinery & Equipment
- ☞ Building Construction
- ☞ Renovation & Modernization

Typical Loan Structure:

- ☞ 50% = First Mortgage from Private Sector Lender
- ☞ 40% = Second Mortgage from Utah CDC (Guaranteed by the Small Business Administration)
- ☞ 10% = Down Payment from Small Business

Maximum Loan Amount:

- ☞ Utah CDC Portion = \$5,000,000
- ☞ Utah CDC Portion for Qualifying Small Manufacturing Facilities = \$5,500,000
- ☞ Private Lender Portion = Unlimited

Loan Term:

- ☞ 10 or 20 Years

Rate of Interest:

- ☞ Near Long-Term Treasury Bond Rates

Collateral Required:

- ☞ Second Mortgage, or lien on assets purchased with loan proceeds.

Advantages:

- ☞ Long Term
- ☞ Lower Than Market Fixed Interest Rates
- ☞ Low Down Payment

Eligibility Requirements:

- ☞ Business must be a for-profit Corporation (Inc., L.L.C., P.C.), Partnership, or Proprietorship
- ☞ Net worth of the business must not exceed \$15 million
- ☞ Average net profit after taxes must not exceed \$5 million for the last two years

Ineligible Purposes:

- ☞ Passive Investment Firms
- ☞ Unregulated Media Firms
- ☞ Gambling
- ☞ Real Estate Investment
- ☞ Not-for-Profit Corporations
- ☞ Finance Related Firms
- ☞ Amusement Parks