

# SBA 504 Loan Program

Low rate, long-term financing for Hawaii's growing Small Business Owners

The SBA 504 program is designed for small businesses to purchase or refinance an existing commercial building or office, or acquire a commercial property at market interest rates without having to provide a large down payment. Businesses can save cash to invest into managing their operations.

## With SBA 504 Financing, small businesses can:

- ◆ Preserve liquidity with a low down payment
- ◆ Increase cash flow with low fixed-rate interest rates

<b>Eligibility Requirements</b>	<ul style="list-style-type: none"><li>◆ Must be owner-operated for-profit entity located in the State of Hawaii</li><li>◆ Meets SBA size-standards: a) Tangible net worth of business \$15 million or less; b) Average after-tax profit of \$5 million or less for the last two operating years</li><li>◆ ≥ 51% owner-occupancy for existing structure/building</li></ul>
<b>Interest Rate</b>	<ul style="list-style-type: none"><li>◆ SBA 504 long-term fixed rate options</li><li>◆ Payments fully amortized through term of loan</li></ul>
<b>Available Terms</b>	<ul style="list-style-type: none"><li>◆ Up to 20 years</li></ul>
<b>Typical Loan Structure</b>	Financing project typically involves a first mortgage from Finance Factors (50%), a second mortgage (40%) from a non-profit community-based company licensed by the Small Business Association (SBA). Borrower's down payment would then be 10%.

## Benefits to Borrower

- ◆ **Save money!** Down payment- as low as 10%
- ◆ **Choose your term!** Longer repayment terms- up to 20 years
- ◆ **Competitive Rates!** Fixed rate financing below market pricing
- ◆ **Peace of Mind!** Predictable monthly payments
- ◆ **Dependability!** Commercial loan experts will walk you through each step of the process



## FINANCE FACTORS

SAVINGS • CDs • MORTGAGES

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The foregoing is for informational purposes only and not to be distributed to any consumer. This is not an offer to make a loan. The making of any loan and the terms thereof are subject to Finance Factors' underwriting approval.