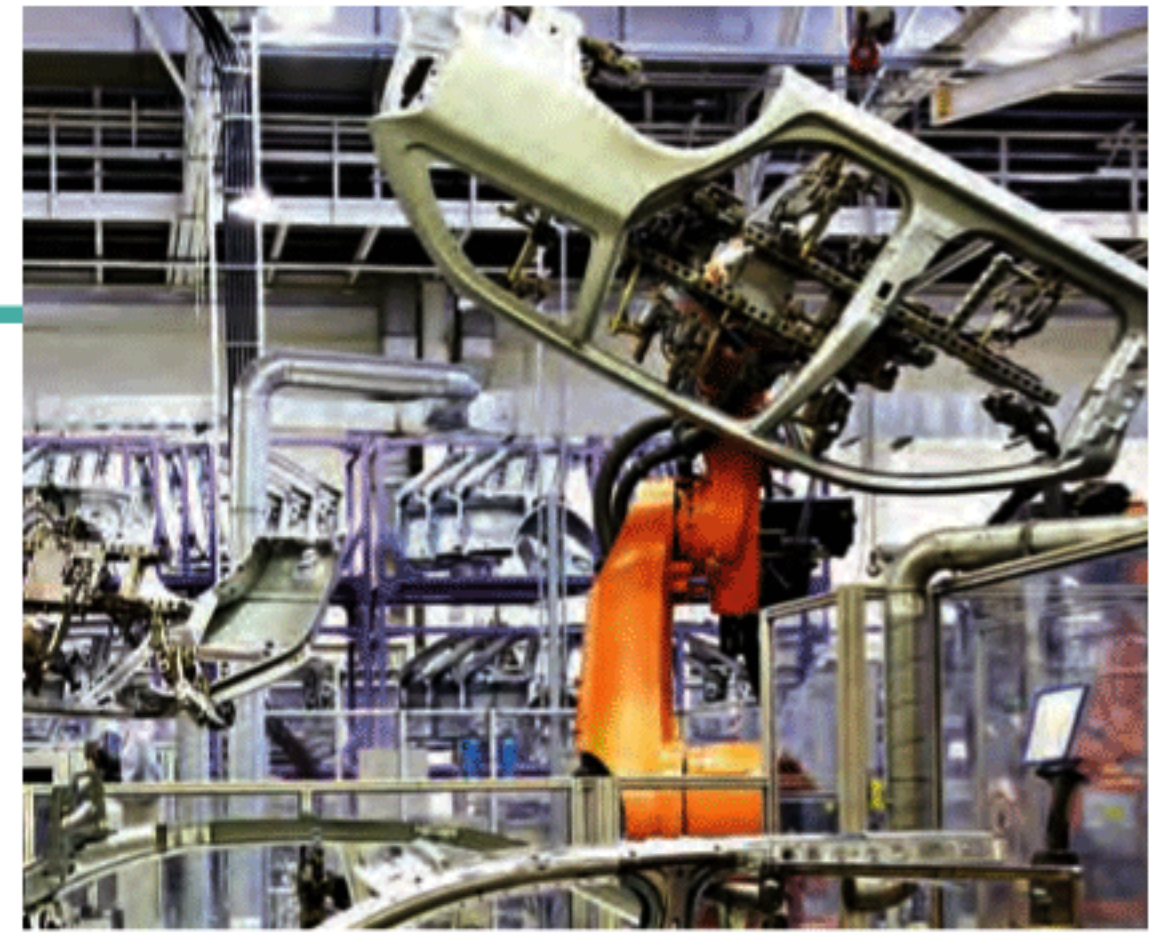


Accion Texas CDC is a private, nonprofit, economic development organization certified by the U.S. Small Business Administration to process, administer and service SBA 504 loans in the state of Texas.

Accion's 5 Cs of Economic Development



What Can 504 Finance?

- Purchase of land
(with intention to build)
- Purchase of existing building
- Construction of new buildings
- Renovating, expanding, or upgrading existing buildings
- Construction contingency reserve
- Machinery and equipment with a useful life of 10 or more years
- Some furniture, fixtures and equipment
- Some existing debt

What's a 504?

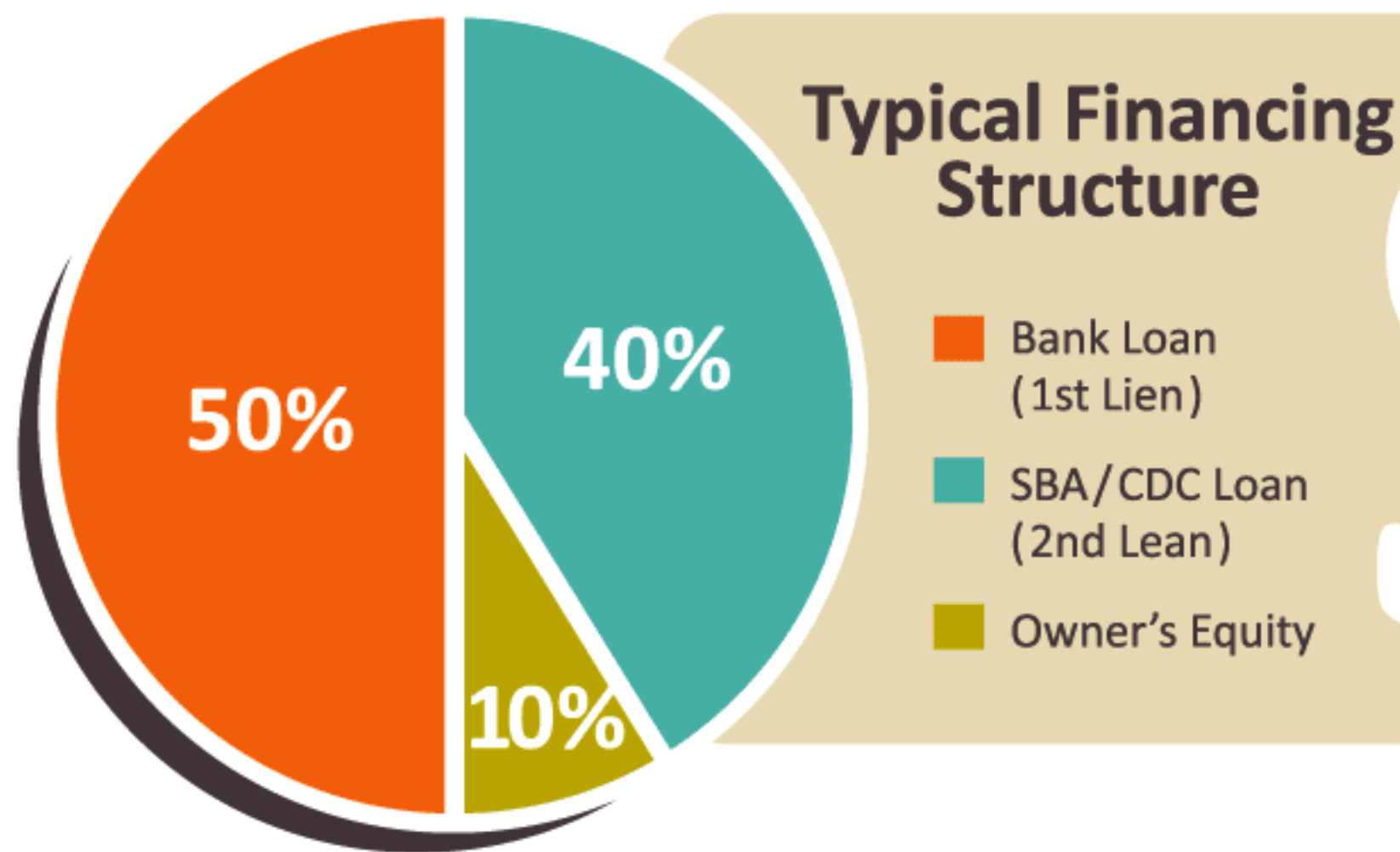
- 504 is a loan program created by the SBA to finance the commercial real estate and equipment needs of small businesses
- The program offers a long-term, competitive fixed interest rate
- It's designed to assist for-profit, owner-occupied businesses operating in the U.S.

Why Successful Lenders Use 504

- Participating lenders receive a "first lien" position on project property
- A low loan-to-value strengthens lender's loan portfolio
- The program's fixed interest rate can help the lender be more competitive
- Most soft costs may be rolled into the project financing
- A secondary market provides additional income opportunities
- Helps to get projects done when borrowers don't have enough equity



504 is a loan program created by the SBA to finance the commercial real estate and equipment needs of small businesses



How Much Does the Borrower Need to Put Down?

- 10% (in most cases)
- 15% for start-up businesses (less than 2 years) or special-purpose facilities
- 20% if the project is both a start-up and a special-purpose facility

How Much Can a Business Borrow?

- There is no limit to the total project cost. However, the SBA portion of the 504 financing cannot exceed:
 - \$5 million
 - \$5.5 million for manufacturers or green energy efficiency projects
 - There is no maximum limit placed on a participating lender's loan portion



504 Cannot be Used for:

- Working capital
- Inventory
- Advertising
- Goodwill
- Automobiles, trucks and other rolling stock
- Tenant improvements
- Franchise fees

Sample Projects Financed

- Medical/Dental/Veterinarians
 - Offices and clinics
 - Outpatient surgery centers
 - Hospitals and labs
- Suppliers/Wholesalers
 - General warehouses and cold storage
 - Import/Export/Freight-forwarding
 - Food and produce suppliers
- Manufacturers
 - Industrial and consumer
 - Steel and pipe fabrication
 - Food processing
 - Chemical plants
 - Automotive industry suppliers
 - High-tech
- Retail/Franchise Businesses
- And many more . . .

For more information, please contact:

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ACCION

Accion Texas Inc. serves the states of Alabama, Arkansas, Kentucky, Louisiana, Mississippi, Missouri, Tennessee and Texas