



BUSINESS LENDING

PARTNERS

A Division of RCEDC, a Wisconsin Corporation

SBA 504 Loan Interest Rate Drops Below 5% for Small Business Borrowers

Milwaukee, WI – August 11, 2010 – The Small Business Administration’s (SBA) 504 loan program is providing long, term fixed rate financing for the purchase of commercial real estate at one of the lowest interest rates since the program’s inception. Organizations like Business Lending Partners, a division of RCEDC, are busy working with small business borrowers who are taking advantage of this current low interest rate to purchase or build new facilities. The interest rate for a 20-year SBA loan fell to a low of 4.931% this month and is fixed for 20 years.

The SBA’s 504 loan program provides long-term, fixed rate financing for commercial real estate, and has funded nearly \$60 billion in loans to growing small business over the past 24 years. Not only are the interest rates low right now, but one of the best aspects of an SBA 504 loan is the low down payment required by the borrower, typically only 10%. Business Lending Partners and organizations like them who provide SBA 504 loans across the county are busy helping small business borrowers take advantage of these record low interest rates to purchase, build or expand their own facilities.

Recent loan data has shown that a large percentage of SBA 504 borrowers are professional practices. The greatest concentration of loans has been to physicians, dentists, veterinarians, lawyers and accountants. Chris Crawford, the President of the National Association of Development Companies, the trade association for SBA 504 lenders states, “It’s not surprising that accountants and lawyers recognize the benefits of SBA 504 loans, but it’s gratifying to see so many professionals also realizing that owning their own building to fix their business occupancy costs is a very savvy financial move. More business owners would be wise to make similar investments. – There is just no better deal available for the purchase of real estate or for expansion of existing facilities.”

Business Lending Partners (BLP) is a division of the Racine County Economic Development Corporation, a Wisconsin corporation in Sturtevant, Wisconsin. BLP has been a statewide, Certified Development Company, specializing in SBA 504 loans, since 1985.

For more information on the SBA 504 program, please contact Carolyn Engel of Business Lending Partners at (262) 898-7420 or cengel@businesslendingpartners.org; also feel free to visit the BLP website at www.businesslendingpartners.org.

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