

Build Your Business with Alliance on your side.

SMALL BUSINESS FINANCING

The SBA 504 Loan Program provides approved small businesses with long-term, fixed-rate financing used to acquire fixed assets for expansion or modernization. 504 loans are made available through Certified Development Companies (CDCs), which are established by the SBA as non-profit corporations designed to support economic growth in their local areas.

How it works

504 Loans are loans structured to allow for shared project costs. The CDCs typically contribute 40% of the loan, and we'll provide up to 50%. That means for an average SBA 504 loan, your contribution may only be 10% of the project cost.

Benefits to Business:

- 90% financing
- Longer loan amortizations
- Fixed-rate interest rates
- Savings that result in improved cash flow for small businesses

Size of Loans:

- \$1.5 million to \$20 million

Terms of Loans:

- Real Estate
 - » Up to 25 years (Bank Loan)
 - » Up to 20 years (CDC/SBA Debenture)
- Machinery and Equipment
 - » Up to 10 years (Bank Loan)
 - » Up to 10 years (CDC/SBA Debenture)

Interest Rates:

- Competitive variable and fixed rates
- Debenture rates published by CDC

Loan Fees:

- 2%-4% of total financing
- Other fees include third party reports, lien filings, title charges, etc. (closing fees can be incorporated into the loan)



The U.S. Small Business Administration (SBA) was created in 1953 to aid, counsel, assist and protect the interests of small businesses, to preserve free competitive enterprise and to maintain and strengthen the overall economy of our nation.