



The FFCFC 504 Loan Program: Specialized Fixed Asset Financing for Florida Manufacturers

The FFCFC 504 Loan Program is designed to help small to mid-sized Florida manufacturers acquire fixed assets – commercial real estate and/or industrial machinery and equipment – without the financial hassles and high cash outlay requirements often associated with traditional financing programs.

Loan Structure:

- A commercial lender provides a first mortgage loan of 50% of the total project cost. FFCFC funds 40% of the project cost at a below-market, fixed interest rate and takes a second mortgage position. The borrower puts in as little as 10% equity.

Program Benefits:

- Up to 90% financing at below-market, true fixed interest rates with long amortization terms (up to 20 years on real estate and 10 years on equipment).
- **(NEW)** Loan amounts up to \$5.5 million for manufacturing and green initiative projects (SBA amounts only; no limit on overall project dollar size; permanent program change).
- **(NEW)** Debt refinancing to be used for refinancing of qualified existing debt without business expansion (temporary program).
- Working capital loans of up to \$2 million are available to manufacturers under the SBA 7(a) program and can be packaged with a 504 loan.

Qualification Criteria:

- **(NEW)** Manufacturers with a maximum tangible net worth of not more than \$15 million and average net income after Federal income taxes (excluding carry-over losses) for the two full fiscal years prior to application of not more than \$5 million are now eligible for 504 financing (temporary until the SBA publishes a permanent regulation).
- Meet the definition of a small to mid-sized manufacturer as classified in sector 31, 32, or 33 of the North American Industry Classification System (please visit <http://www.census.gov/eos/www/naics/> for specifics).
- Must have fewer than 500 employees.
- Must be for-profit and have all production facilities located in the United States.
- Must occupy a majority of the space.

The first step toward obtaining a 504 loan is to contact your local bank to determine if they work with certified development companies like FFCFC to offer the 504 program. If not, feel free to contact FFCFC directly. We have experienced, professional loan officers across the state that can assist you with your 504 project.

(REV 3-1-11)



504 Highlights:

- Purchase, construction, expansion or renovation of owner-occupied commercial real estate and/or the acquisition and installation of long-life machinery and equipment
- Up to 90% commercial financing.
- Below-market, true fixed interest rates – no ARMs.
- Amortization terms up to 20 years.
- Fees and other up front costs and expenses may be financed in the loan.
- Projects from \$125,000 and up.

About FFCFC:

FFCFC is a statewide, nonprofit, federally regulated certified development company which administers the 504 loan program on behalf of the Small Business Administration. FFCFC prepares the loan documents and handles all of the details of the 504 loan, including credit underwriting, approval, closing and servicing of the loan for its life.



*Start your relationship
with Florida First
Capital. Contact a
Loan Officer today.*



**Florida First Capital
Finance Corporation**

Toll Free: 888.320.5504 • Email: info@ffcfc.com
Online: <http://ffcfc.com>