
Small Business Administration (SBA) 504 Loan Program

By Anonymous

Published: 03/19/2009 - 03:07

The Small Business Administration (SBA) 504 Loan Program is a fixed asset financing program which offers small businesses long-term loans at a fixed rate of interest which is generally lower than market rates. The program is designed to provide expansion capital to small businesses and stir investment in local economies resulting in job creation. The loan may be used to acquire land, construct buildings, purchase land, buildings, machinery, and equipment. The 504 loan is coordinated between the SBA and a private lender with the lender covering 50% of the project, the SBA percent, and the borrower 10 percent. The maximum participation by the SBA is \$1 million.