



# Loan Programs

## 504

### Lender Benefits

- *Minimal equity requirement*
- *Fixed interest rate for the term of the loan*
- *Bank has first mortgage*

### Certified Development Companies

Montana Community Finance Corporation  
P O Box 916  
Helena, MT 59604  
Phone: 406-443-3261

High Plains Financial Inc.  
P O Box 2568  
Great Falls, MT 59401  
Phone: 406-454-1934

Big Sky Economic Development Corp.  
222 North 32<sup>nd</sup> Street, Suite 200  
Billings, MT 59101-1948  
Phone: 406-256-6871

The CDC's maintain all application documentation and submit the package to the SBA.

The 504 Certified Development Company Program provides growing businesses with long-term, fixed-rate financing for major fixed assets, such as land and buildings.

- **Maximum loan in urban area \$1.5MM**
  - Billings
  - Great Falls
  - Missoula
- **Maximum loan in rural area \$2.0MM**
- **Maximum loan to "small manufacturers" \$4.0MM**
- **Break down of participants**
  - SBA 40% of loan
  - Bank 50% of loan
  - Borrower 10% equity injection
- **Additional Equity Injection**
  - Start up additional 5%
  - Special purpose building additional 5%
  - Start up and special purpose additional 10%

### Proceeds

- Fixed Asset Acquisition

### Rates

- Based on long-term bond rate
- Fixed for term of the loan

### Maturities

- Machinery & Equipment 10 years
- Real estate 20 years

### Collateral

- Bank has first
- SBA/504 has second

### For More Information

- **SBA Montana District Office:**
- 406-441-1081
- Fax: 406-441-1090
- E-mail: john.donovan@sba.gov
- TDD: 406-441-1097
- District Home Page:  
[www.sba.gov/mt](http://www.sba.gov/mt)

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