

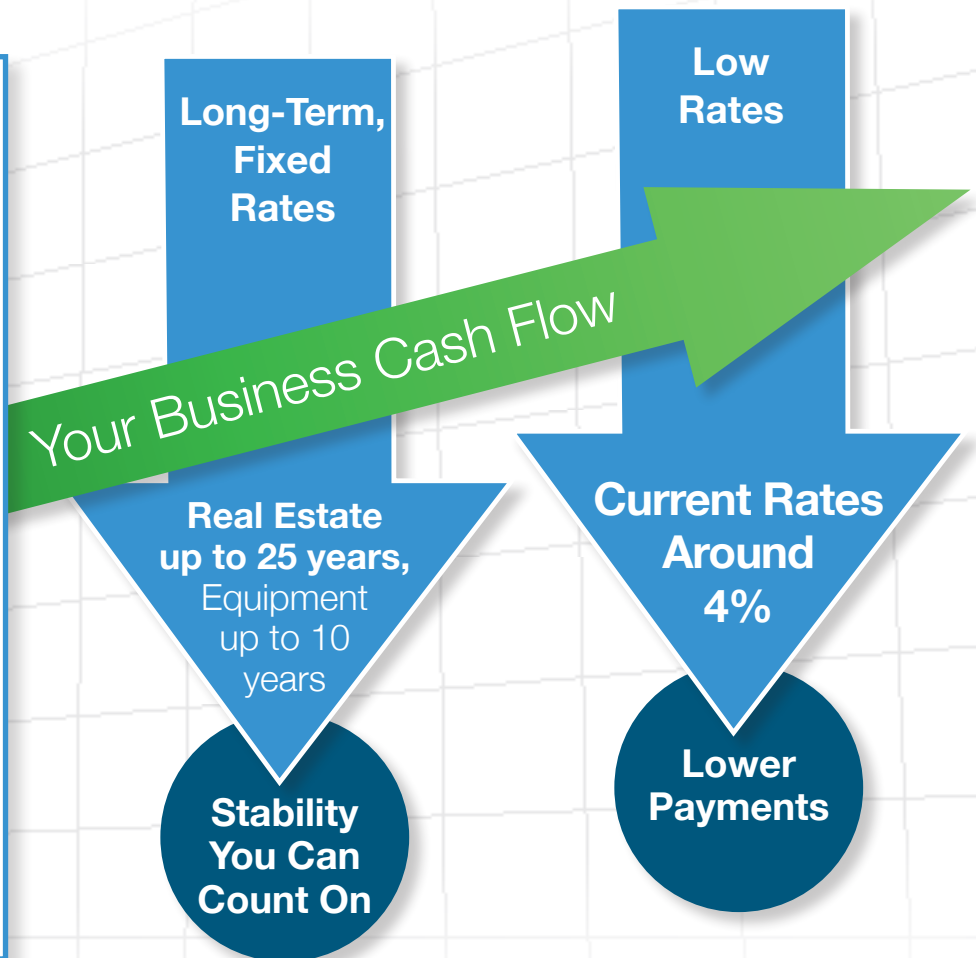


Fixed Asset Refinancing Now Available!

What if you could refinance much of your real estate and equipment term debt for 25 years at a Fixed Rate of around

4%?

You can with a **SBA 504 Refinance Loan!**



Key Points

- Must be current on debt to be refinanced for the past 12 months.
- Loan to be refinanced must have been in place for 24 months.
- If a note has been renewed in the last 2 years, no additional advances can have been made.
- Note to be refinanced can not have any other type of Federal Guarantee (SBA, USDA, FSA...)
- WBD can work with any local lender.
- WBD handles all interactions and paperwork with the SBA for both banker and borrower.

How it Works

The 504 loan works in partnership with your local lender to reduce your costs and their risk.

- Up to 90% financing for REFI-only projects
or
- Up to 85% financing for 'cash-out refinance
- Use Equity in Project Assets as Borrower Contribution



For more information visit WBD.org

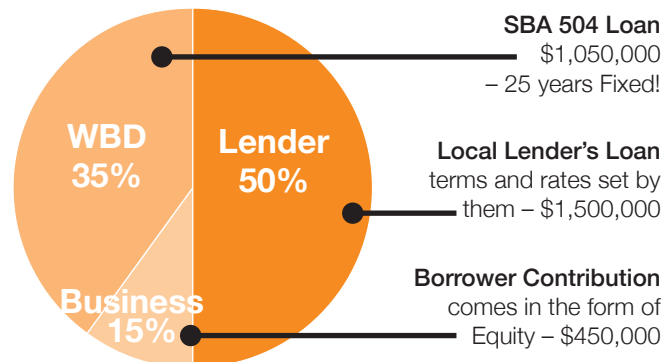
The Request – A Cash Out Example

Refinance existing real estate mortgage of \$2,000,000 and provide as much term working capital as possible to reduce line of credit balance and cover forthcoming business expenses. Property securing the mortgage has an appraised value of \$3,000,000.

Relevant Information

- Property Appraised at \$3,000,000
- \$300,000 Revolving Line of Credit, full drawn
- Business Credit Card Balance – \$50,000 Operating Expenses and payroll coming due within 18 months – \$200,000

How Does the Final Structure Work?



Headlines	This Example	Notes/Qualifications
Key Points to Check	All mortgage payments made on time	Debt to be refinanced must have been current for the last 12 months
	Current Appraisal	Appraisal must be no more than 12 months old
	Mortgage 4 years old	Loan must have been in place for 24 months (no additional advances or modifications within the past 12 months)
	Mortgage is a conventional loan	No Federally Guaranteed loans can be refinanced (SBA, USDA, FSA...)
What debts can be paid with "cash out?"		Can refinance line of credit balance NOT used for capital expenditures Current/Future working capital expenses coming due within the next 18 months (including business credit cards) are OK
How much can you take out to pay debts?	With an appraised value of \$3,000,000 the maximum amount that can be refinanced with the 504 loan is \$2,550,000	85% of Appraised Value is the total maximum amount that can be refinanced (90% for a straight refinance)
	Based on the appraised value the max amount that can be used to pay down debts/cash out is \$600,000	20% of the Appraised Value is the maximum amount that can be used as cash out to pay off / down lines of credit or for business expenses already incurred or to be incurred in the next 18 months

Additional Benefits

- Borrower obtained a low 25 Year Fixed Rate
- Overall debt re-structure reduced the annual debt service by \$60,000 per year
- Paid down the RLOC balance to zero, freeing up \$300,000 of availability on the RLOC
- Paid off \$250,000 of payables due for inputs
- Helped shore up the bank's collateral position by reducing its exposure to 50% LTV on the real estate

