

LCOG- SBA 504 & LCOG Local Loan Programs

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PROGRAM	AGENCY	TARGET MARKETS	KEY FEATURES	AMOUNT	RATE	FEES	LOAN STRUCTURE
504 Loan	SBA via LCOG	Real property acquisition or construction Statewide	Starts at 90% Loan to Value Low fixed rate of interest	\$200,000 to \$5,000,000	Fixed– starting at 6.3% as of 01/01/23	2.45% on SBA portion, .5% on bank portion, \$2,500 legal fee	Subordinate to bank debt-
Revolving Loan Fund	LCOG Loan Program-EDA	Lane County – Primarily Eugene-Springfield	Low fixed rate, Local Approval	\$50,000 to \$150,000	Fixed – starting at 6.00% as of 01/01/23	1.50% on LCOG portion	Subordinate to bank debt
Rural Business Development	LCOG Loan Program USDA	Rural areas of Lane County (Outside UGB)	Low fixed rate, Local Approval	\$50,000 to \$200,000	Fixed – starting at 6.00% as of 01/01/23	1.50% on LCOG portion	Subordinate to bank debt

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Lane Council of Governments is an equal opportunity lender

The **SBA 504** is fixed asset financing for larger projects. Example: \$10.0 million to construct new hotel. Breakdown: SBA 504 \$3.0 - \$3.5 million, Bank \$5.0 million, Borrower \$1.5 - \$2.0 million (cash & land value).

The **Revolving Loan Fund (RLF)** is one of LCOG's local loan programs for smaller deals (\$700,000 and less). It is used primarily within the Eugene/Springfield UGB. It focuses on real property and equipment – but can finance working capital with adequate collateral (no lines of credit). 15 years, fully amortized.

The **Rural Business Development Fund (RBDF)** is LCOG's other local loan program. It is available anywhere in Lane County that is **outside** the UGB of Eugene/Springfield. It has the same rate and terms as the RLF. It can finance not only everything the RLF does, but it can also finance property that is for **investment** (no owner occupancy required).

None of the loan programs can finance residential real estate. However, if a commercial business will occupy 51% or more of an **existing** building, the remaining 49% can be residential.