

CapitalSource SBA 504 Loan

Advancing small business every day

CapitalSource Small Business Lending

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capitalsource.com/sbl

Loan Purpose

Commercial real estate purchase, including equipment or other fixed assets.

Loan Amount

Up to \$15,000,000 split into two loans:

1. CapitalSource SBL first mortgage: up to \$10,000,000
2. SBA 504 debenture second mortgage: up to \$5,000,000

Time to Close

Closing within 45–60 days of signed commitment letter.

Loan to Value

Up to 90%.

Interest Rate

1. Competitive rates.
2. SBA 504 debenture second mortgage is a 20-year, fixed rate that is normally below market rates.

Term

Up to 25 years with no balloons or calls—fully amortizing over the life of the loan.

1. CapitalSource SBL has a loan term up to 25 years.
2. SBA 504 debenture second mortgage has a loan term up to 20 years.

Prepayment Penalty

Prepayment penalties will apply.

Fees

Loan origination fees:

1. CapitalSource SBL generally requires a 1% loan origination fee.
2. SBA 504 debenture second mortgage has a one-time SBA loan guarantee fee based on loan size and is funded with loan proceeds.

Collateral

1st lien and 2nd lien on all assets being financed.

Recourse

Personal guarantees for all individuals owning 20% or more. Corporate guarantees of affiliated companies may be required.

Debt Service Requirements

Projected debt service coverage ratio of 1.25 times.

Industries

All for-profit businesses that meet SBA eligibility requirements.

