



PRESS RELEASE

FOR IMMEDIATE RELEASE

SOUTHERN MAINE FINANCE AGENCY TO OFFER AFFORDABLE 504 LOAN PROGRAM TO MAINE SMALL BUSINESSES

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Southern Maine Finance Agency (SMFA) is pleased to offer the SBA's popular 504 Loan Program to Maine businesses. This financing program allows businesses to access financing with reduced down payment requirements and lower interest rates. SMFA is one of only three CDC's in the state to offer this financing.

The 504 Loan Program is structured so that up to 40% of the financing can be provided by the SBA at just over US Treasury Bond rates. The remainder of the loan is covered 50% by a local bank or credit union, with as little as 10% contribution required as down payment by the borrower. This combination of project financing means borrowers pay below-market interest rates, fixed for the life of the loan, while preserving cash.

"Having the ability to write these loans allows us to expand access to capital for Maine's growing businesses." says SMFA President, Will Armitage. "Our certification as a CDC means we can offer the 504 Loan Program to growing businesses throughout the state at lower interest rates with smaller down payment requirements so they can conserve their cash for working capital."

The 504 Loan Program is available to owner-occupied business properties for the purchase of long-term fixed assets for expansion or modernization, usually real estate or large equipment investment. Refinancing of large equipment and/or owner-occupied commercial real estate may also be possible.

More information about Southern Maine Finance Agency services and products can be found at the organization's website: <https://www.smfamaine.org/>

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