

## **SBA 504 Temporary Debt Refinance Program is now User Friendly!**

In mid-October, SBA published final regulations for the 504 debt refinancing program that will be in effect for loans approved through September 27, 2012.

Taking into account these final policy revisions, the 504 debt refinancing program now provides the opportunity to refinance existing qualified real estate or equipment debt and to provide additional financing for working capital, building improvements and equipment purchases. The final loan amount must be collateralized with fixed assets at no greater than a 90% loan/value.

The loan review and approval process is the same as for the “regular” 504 program (30-45 days). However, loans must be closed within six months of the approval date.

You can utilize the 504 Temporary Debt Refinance Checklist on the OSDC web site to assist you in evaluating whether a loan may be eligible for this program.

Please Contact OSDC to discuss the program in more detail or to schedule a meeting with an OSDC loan officer. OSDC believes this program can increase available cash flow for businesses and provide a source of capital for investment and working capital that is not readily available under conventional lending policies.