

Helping Your Small Business Grow



504 Loan Program

Small Business
GROWTH CORPORATION





Discover The Difference

Small Business Growth Corporation invites you to Discover the Difference when choosing your next SBA lender. As one of the top ten National 504 lenders, we have a reputation to keep. Our experienced, dedicated lending professionals focus solely on SBA 504 loans, making us experts in our field. Through administration of the 504 Loan Program, we have cultivated relationships with thousands of small businesses and financial institutions throughout the Midwest.

Our goal is to promote economic development and job creation for small businesses through the 504 Loan Program. This is achieved by offering long-term, fixed-rate subordinate mortgage financing to small businesses for acquisition, construction, and/or renovation of capital assets including land, building, and equipment. We are certified by the U.S. Small Business Administration to offer the 504 Loan Program, and in fact, have attained Accredited Lender status with the SBA.



The Largest SBA 504 Lender in the Midwest

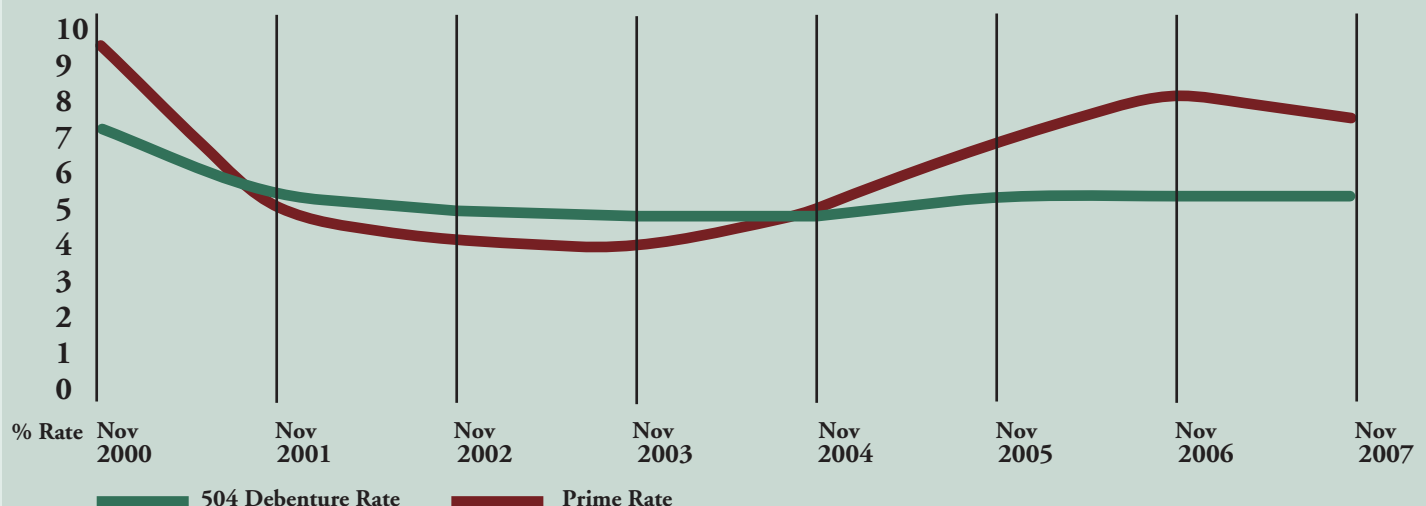
The 504 program essentially consists of three key elements: in most cases, 50% of the project's total cost is provided by a lending institution, usually a bank; 40% is provided by Growth Corp in terms of an SBA 504 loan; and 10% equity is provided by the borrower. By requiring only a 10% down payment from the borrower, small businesses are able to conserve their operating capital, while the structure of the program makes it attractive to financial institutions as well. Growth Corp saves time for both the small business owner and

the participating lender by working directly with the borrower to organize, package, process, and close the 504 loan.



Headquartered in Springfield, Illinois, Small Business Growth Corporation was founded in 1982 and began building its highly qualified professional staff. In the years to follow, loan volume increases secured a ranking for the organization as one of the fastest growing Certified Development Companies (CDC) in the nation. Growth Corp has consistently been recognized by the SBA as the largest SBA 504 Lender in the Midwest and as one of the top ten CDC's nationwide.

7 Year Historical Comparison of SBA 504 Debenture vs. Prime Rate



We take pride in the efficiency we bring to the 504 lending process and care about the relationships we build with the lending and business communities. Fast, efficient-turn-around, with an attention to detail, will quickly get you on the road to realizing the dream of commercial property ownership.

With offices and lending professionals strategically located throughout the Midwest, Small Business Growth Corporation is well positioned to provide lenders and businesses with the highest level of service available. We are the largest Certified Development Company in the Midwest and our record of growth and performance speaks for itself. Call us today and Discover the Difference!

Growth Corp has consistently been recognized by the SBA as the largest SBA 504 Lender in the Midwest and as one of the top ten CDC's nationwide.



Growth Corp Service Region

The 504 Loan Program

What Is It and How Does It Work?

Small Business Growth Corporation (Growth Corp) helps small businesses finance their expansion needs by providing an attractive alternative through its 504 Loan Program. This Program essentially consists of three components:

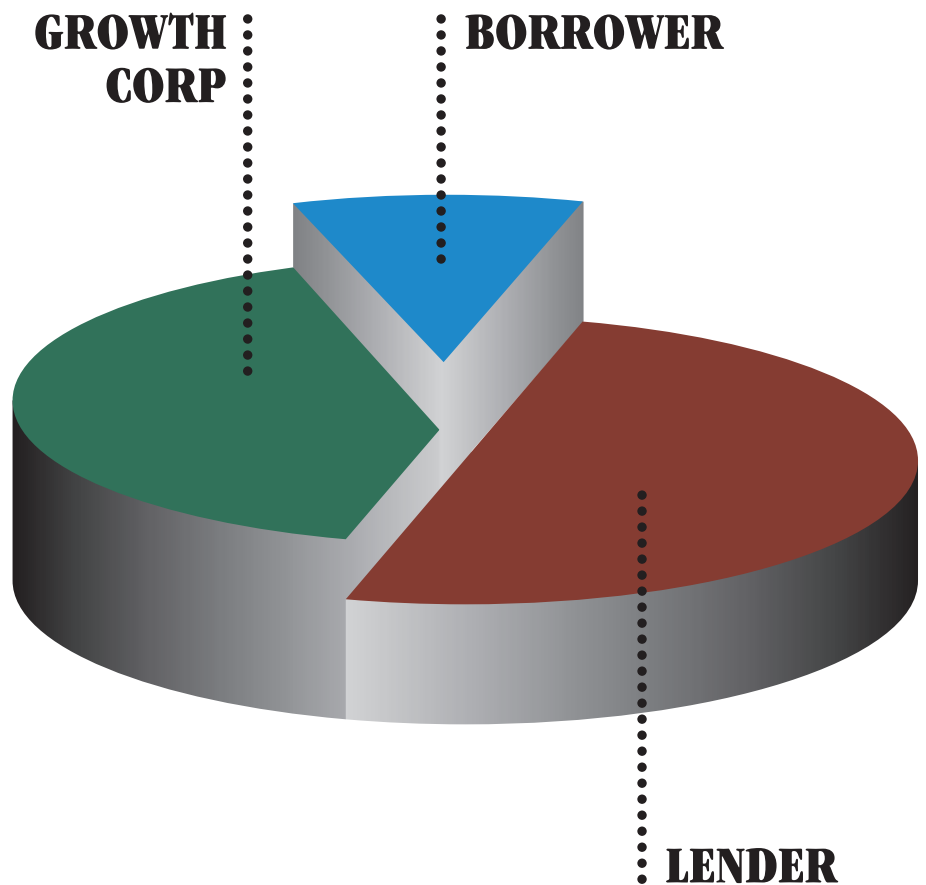
1. 50% of the project's total cost is provided by a lending institution, usually a bank;
2. 40% is provided by Growth Corp; and
3. 10% equity is provided by the applicant small business/borrower*

By requiring only a 10 percent down payment, the Program allows small businesses to conserve their operating capital, while its structure makes it attractive to financial institutions. Growth Corp saves both the business and the participating lender time by working directly with the borrower to organize, package, process and close the 504 Loan.

Who and What Are Eligible?

Businesses with successful track records and growth potential generally qualify for a 504 Loan if they are for profit organizations, average less than \$3 million in annual profits, and have a net worth of less than \$8.5 million. Qualifying projects should involve the purchase, construction or improvement of fixed assets such as land and building acquisition, construction and renovation, and/or purchase of heavy machinery or equipment. Projects that qualify must, according to SBA guidelines, promote economic development, which generally means the creation or retention of jobs.

**Higher equity requirements exist for start-up or leveraged companies and/or projects involving acquisition of limited or single-purpose real estate.*



The 504 Process

Growth Corp's 504 Loan process involves four phases. This simplified process begins with the first phase of analyzing limited financial information about the business, borrower and project, and phase two involves submitting a complete application for financing. The first two phases are generally completed within 10 business days. Phase three is the interim funding process, which generally occurs after the issuance of a commitment for a 504 Loan, with the funds being provided by the participating lender. Phase four completes the transaction with funds provided by Growth Corp through the sale of bonds after the project is complete.



504 Loan Comparison

504 Case Study Example

A widget manufacturer that has been leasing space wants to construct a building and purchase new equipment to facilitate business expansion.

Purchase Land	\$ 500,000
Construct Building	1,500,000
Purchase and Install Equipment	200,000
Purchase Furniture & Fixtures	50,000
Soft Costs*	150,000
Total	\$ 2,400,000

**Soft costs can include interim interest and fees, professional fees, a construction contingency, appraisal and environmental costs, etc.*

If a bank was willing to finance the project conventionally, it typically would lend up to 80 percent of the project costs at a floating interest rate with a 15 year amortization and a balloon after three to five years. However, utilizing the 504 Program, up to 90 percent of the project costs can be financed. The bank lends up to 50 percent, thereby reducing its risk and corresponding interest rate. Growth Corp lends up to 40 percent at a fixed rate for 20 years, with a down payment of 10 percent by the borrower.

	Conventional	With 504
Bank	\$ 1,920,000	\$ 1,200,000 (10 years)
Growth Corp	0	\$ 960,000 (20 years)
Borrower	\$ 480,000	\$ 240,000
Total	\$ 2,400,000	\$ 2,400,000

As shown, the borrower's equity injection can be reduced by \$240,000, thereby conserving cash and providing the necessary working capital to support continued growth. Additionally, cash flow is improved as a result of the longer maturity and potentially lower interest rates.

Typical 504 Financing Structure

Project Costs	Source	Lien	Funding Limits	Rate	Term Real Estate	Term Equipment
50 percent	Financial Institution	1st	No limit	Market	10 years or longer	7 years or longer
40 percent	Growth Corp 504	2nd	\$1,500,000 to \$4,000,000	Fixed	20 years	10 years
10 percent	Applicant Small Business					

What Are The Benefits?

For Small Businesses



Small businesses looking to finance expansion often find the 20% down payment required in a conventional loan from most financial institutions takes too

much of their working capital and the rates, terms, and conditions are not attractive. If you are a growing small business whose expansion plans include the investment and use of real estate and/or equipment, there is another way! Growth Corp can help you achieve your goals by providing long-term, fixed-rate financing through its 504 Loan Program.

For Participating Lender



Commercial lenders know that a conventional loan is not always the answer to your small business client's expansion needs. As an alternative, Growth Corp

offers a financing solution available through its 504 Loan Program. The 504 Program offers fixed rates for capital expenditures and can finance up to forty percent of a project's fixed assets (up to a maximum of \$1.5 million and in some cases, \$4 million). Healthy small businesses may qualify for a 504 Loan if their expansion plans call for the purchase and use of real estate and/or equipment.

504 Advantages:

- ▶ Low down payment - helps conserve valuable working capital
- ▶ Low fixed rate - avoids future adverse rate fluctuations
- ▶ Long loan term - brings debt service in line with cash flow generated by the business

504 Advantages:

- ▶ Bank has first lien position
- ▶ Reduced risk with 50% loan-to-value
- ▶ Fixed or variable rate option on bank loan
- ▶ Expanded customer base
- ▶ Meets economic development and community reinvestment goals

Small Business Growth Corporation was organized to help small businesses become more competitive in the marketplace by financing economic growth through investments. To fund the 504 portion of the loan, Growth Corp issues debentures that are fully guaranteed by the U.S. Small Business Administration and sold on the private bond market.

Small Business Growth Corporation will work with the bank and the borrower to make the application process as easy as possible. When the small business qualifies, the staff of Growth Corp will prepare all the necessary paperwork to be submitted to the SBA for application approval.





This checklist has been developed to assist you in gathering the information necessary to complete your application.

- 1 ☐ **Growth Corp Forms** *(completed, signed and dated from this packet)*

 - ☐ Application Agreement and \$1,000.00 Deposit
 - ☐ Applicant Information Sheet
 - ☐ Personal Financial Statement current within 90 days
 - ☐ Management Profile *(completed for any 20% or more owner and/or day-to-day management)*
- 2 ☐ **Business Financial Information** *(applicant small business and all affiliates*)*

 - ☐ Tax returns for the last three years
 - ☐ Financial statements current within 90 days *(balance sheet, income statement and agings of accounts receivable and payable)*
 - ☐ Schedule of notes and mortgages payable *(should reconcile with current financial statements)*
 - ☐ A projected, annualized income statement for the applicant small business for the first two years after the loan
 - ☐ *(If the business is a start-up)* A monthly cash flow statement for the first 12 months of operation
- 3 ☐ **Personal Financial Information** *(for all 20% or more owners and/or guarantors)*

 - ☐ Tax returns for last three years
- 4 ☐ **Description of Business** *(including its history, future plans, and details of the expansion project as costs, source of down payment, etc.)*

- 5 ☐ **Commitment Letter and Credit Analysis** *(from participating lender stating its terms and conditions of financing)*

- 6 ☐ **Cost Documents** *(such as real estate purchase agreement, contractor estimates, vendor quotes, etc.)*

- 7 ☐ **Other Items** *(if applicable, such as franchise information, lease documentation, existing appraisal and environmental analysis, and any information to aid Growth Corp and SBA in their credit decision)*

Please note: Growth Corp and SBA reserve the right to request specific-to-your-project information that is not listed in this checklist if needed to make an informed credit decision.

**An affiliate is generally defined as any entity that any one person listed in number 3 has controlling ownership in. However, each situation is different, therefore, you should contact Growth Corp if you have questions regarding the affiliate requirements.*



Small Business Investment Act, Section 504 Program

This agreement made this _____ day of _____, _____ between Small Business Growth Corporation, an Illinois not-for-profit corporation and Certified Development Company, hereafter referred to as Growth Corp, and _____, hereafter referred to as the Applicant.

PART I: GROWTH CORP SERVICES

At the request of the Applicant, Growth Corp agrees to review the Applicant's proposed project and to prepare a preliminary loan analysis and a Section 504 debenture guarantee application to the U.S. Small Business Administration, hereafter referred to as SBA, including a complete set of forms, documents, and supportive exhibits. Applicant agrees to submit all information necessary and to provide reasonable assistance to Growth Corp in the preparation of said package. As soon as the application package is complete, Growth Corp will submit the application to SBA together with its request for SBA to guarantee a debenture issued by Growth Corp under the 504 Program. If approved by the SBA, the proceeds of debenture sale will be used to provide subordinated financing for the Applicant in accordance with the terms and conditions of the SBA Authorization for Debenture Guarantee. Growth Corp cannot guarantee that it will be able to obtain SBA approval and no statement contained herein or elsewhere may be construed as a guarantee directly or by implication.

PART II: APPLICATION DEPOSIT

At the signing of and accompanying this agreement, the Applicant agrees to make a deposit in the amount of \$1,000 payable to Small Business Growth Corporation. If SBA does not approve the loan application, Growth Corp will refund the deposit, less the out-of-pocket costs and administrative expenses incurred in packaging and processing the loan request. If SBA approves the loan application, the application deposit will be refunded following the funding of the loan less any closing costs that are not covered by the commitment fee. Applicant agrees that if the application is withdrawn or cannot be completed because of the failure to submit necessary information, the application deposit shall be deemed compensation to Growth Corp for its services.

PART III: COMMITMENT FEE

When SBA approves the loan, an Authorization containing the terms and conditions of the loan will be issued. A commitment fee equal to 1% of the 504 loan amount is due when the Applicant accepts the terms and conditions of the Authorization. If the Applicant completes the loan in accordance with the requirements of the Authorization, the commitment fee together with the application deposit will be used to pay for the closing costs, including, but not limited to, credit reports, title insurance, recording and search fees, and other out-of-pocket costs. Growth Corp will send a statement detailing the costs paid from these funds together with a refund of the balance after the loan is funded. Applicant agrees that if the requirements of the Authorization are not met, preventing the loan from being completed, the application deposit and the commitment fee shall be deemed compensation to Growth Corp for its services.

PART IV: 504 LOAN PROGRAM

The Applicant understands that, if approved, the loan contemplated by this agreement will be made under the provisions of the SBA 504 Debenture Guarantee Program. **The 504 Program provides borrowers with a long-term, fixed-rate loan, not exceeding 40 percent of the eligible project costs plus the costs associated with issuing the debenture. These costs, approximately 2.15 percent of the 504 portion of the financing and a fixed legal fee of \$2,500, are included in the loan amount.** A participating lender provides the interim financing and approximately 50 percent of the total project financing in the form of a loan with a minimum term of ten years for real property. SBA also requires a one-time, participating lender fee equal to 0.5 percent of the amount of the lender's permanent loan. This fee may be passed along to the borrower or paid by the lender. When the project is complete, the interim loan is fully disbursed, and environmental and appraisal requirements met, the applicant will sign the loan documents and Growth Corp will issue the debenture guaranteed by SBA. All the debentures issued each month are sold as a group by SBA in the national bond market. It is this process which raises the funds for each 504 loan and determines the interest rate of the loan.

PART V: INTEREST RATE AND FEES

The interest rate on the 504 loan is determined by the competitive forces of the bond market when the debentures are sold and is fixed for the life of the loan. Monthly payments on the loan begin the first month following the debenture sale, and will be made via electronic funds transfer. **In addition to principal and interest, monthly payments will include servicing/guaranty fees which depend on the borrower's industry and credit strength. Growth Corp staff will provide the most recent interest rate and fee information.** The Applicant agrees to pay all costs incurred in closing the loan, including, but not limited to, recording and search fees, title insurance costs, and closing attorney's fees. The application deposit and the commitment fee explained earlier cover these costs.

PART VI: MISCELLANEOUS CONDITIONS

All information provided by the Applicant and/or its principals will be used by Growth Corp, its Board, employees and agents to make credit and Program decisions, and will not be divulged to anyone, other than participating lenders, guarantors and the SBA. The Applicant authorizes Growth Corp to obtain credit information concerning the Applicant, individual owners of the business, and related companies and to identify our financing participation on the project property. Applicant specifically authorizes the participating lender to provide all personal and business information it may have to Growth Corp including financial and credit information. Applicant is solely responsible for fulfilling SBA requirements regarding the environmental condition and appraised value of the real estate involved in the project. Failure to meet these requirements can delay or prevent the loan from being completed. The Program and loan descriptions, including statements regarding the amount and type of fees, are exclusively controlled by SBA and are subject to change without notice.

IN WITNESS WHEREOF, Growth Corp and the Applicant have executed this Agreement.

SMALL BUSINESS GROWTH CORPORATION

APPLICANT

By _____

By _____

Title _____

Title _____

Applicant Information



Small Business Growth Corporation
504 Loan Program

Business Information

Company Name	Telephone Number	F.E.I.N. Number
Current Address	Fax Number	SIC or NAICS Code
City, State, Zip	Website	Date Established
Contact Person	E-mail Address	Date Financing Needed

Name of borrower(s) _____

Years of experience in this industry _____

Type of Company

☐ Corporation ☐ Sole Proprietor ☐ General Partnership ☐ Limited Partnership ☐ Limited Liability Company

Number of Employees

Currently FT _____ PT _____ After Loan FT _____ PT _____

Business Ownership

Name	Percent of Ownership
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

	Organization	Contact Person	Telephone Number
Participating Lender			
Bank of Account			
Accountant			
Attorney			
Other			

Site Details of Project

Street Address	_____
City, State, Zip	_____
Building Space (sq.ft.)	_____
Land (acres or sq.ft.)	_____
No. of Business Locations	_____

Sources and Uses of Funds

Project Costs

Land/Building Purchase \$ _____

Construction/Renovation _____

Machinery & Equipment _____

Furniture & Fixtures _____

Construction Contingency _____

Professional Fees _____

Interim Interest _____

Other (please list) _____

Total Project Cost \$ _____

Project Financing

Bank Loan \$ _____

Growth Corp 504 Loan _____

Owner Equity _____

Other Sources (please list) _____

Other Debts (please list) _____

Total Sources of Funds \$ _____

Miscellaneous

Do the applicant principals own 20 percent or more of any other business?

Yes ☐

No ☐

If yes, name the business(es) and the percentage owned by each applicant principal:

Business

Percent Owned

Signature _____

Date _____

Personal Financial Statement



Small Business Growth Corporation
504 Loan Program

As of _____, 20 _____

Personal Financial Statement must be completed for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock, or (4) any person or entity providing a guaranty on the loan. Please duplicate as needed.

Name	Business Phone
Residence Address	Residence Phone
City, State, & Zip Code	
Business Name of Applicant/Borrower	

Assets	(Omit Cents)	Liabilities	(Omit Cents)
Cash on Hand & in Banks	\$ _____	Accounts Payable	\$ _____
Savings Accounts	\$ _____	Notes Payable to Banks and Others	\$ _____
IRA or Other Retirement Account	\$ _____	(Describe in Section 2)	
Accounts & Notes Receivable	\$ _____	Installment Account (Auto)	\$ _____
Life Insurance-Cash Surrender	\$ _____	Mo. Payments \$ _____	
Value Only (Describe in Section 8)		Installment Account (Other)	\$ _____
Stocks and Bonds	\$ _____	Mo. Payments \$ _____	
(Describe in Section 3)		Loan on Life Insurance	\$ _____
Real Estate	\$ _____	Mortgages on Real Estate	\$ _____
(Describe in Section 4)		(Describe in Section 4)	
Automobile-Present Value	\$ _____	Unpaid Taxes	\$ _____
Other Personal Property	\$ _____	(Describe in Section 6)	
(Describe in Section 5)		Other Liabilities	\$ _____
Other Assets	\$ _____	(Describe in Section 7)	
(Describe in Section 5)		Total Liabilities	\$ _____
Total	\$ _____	Net Worth	\$ _____
		Total	\$ _____

Section 1. Source of Income

Salary	\$ _____
Net Investment Income	\$ _____
Real Estate Income	\$ _____
Other Income (Describe below)*	\$ _____

Description of Other Income in Section 1:

**Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.*

Contingent Liabilities

As Endorser or Co-Maker	\$ _____
Legal Claims & Judgments	\$ _____
Provision for Federal Income Tax	\$ _____
Other Special Debt	\$ _____

Section 2. Notes Payable to Bank and Others

Name and Address of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

(Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

Section 3. Stocks and Bonds

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

Section 4. Real Estate Owned

	Property A	Property B	Property C
Type of Property			
Address			
Date Purchased			
Original Cost			
Present Market Value			
Name & Address of Mortgage Holder			
Mortgage Account Number			
Mortgage Balance			
Amount of Payment per Month/Year			
Status of Mortgage			

Section 5. Other Personal Property and Other Assets

(Describe, and if pledged, state name and address of lien holder, amount of lien, terms and if delinquent, describe delinquency.)

Section 6. Unpaid Taxes

(Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any tax liens.)

Section 7. Other Liabilities

(Describe in detail.)

Section 8. Life Insurance Held

(Give face amount, cash surrender value of policies, name of insurance company and beneficiaries.)

I authorize SBA/Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan. I understand FALSE statements may result in forfeiture of benefits and possible prosecution by the U.S. Attorney General (Reference 18 U.S.C. 1001).

Signature	Date	Social Security Number
-----------	------	------------------------

Signature	Date	Social Security Number
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PLEASE NOTE: The estimated average burden hours for the completion of this form is 1.5 hours per response. If you have questions or comments concerning this estimate or any other aspect of this information, please contact Chief, Administrative Branch, U.S. Small Business Administration, Washington, D.C. 20416, and Clearance Officer, Paper Reduction Project (3245-0188), Office of Management and Budget, Washington, D.C. 20503.



Profile must be completed for each owner, partner, 20% or more shareholder, Officer, Director and/or key management personnel. Please duplicate as needed.

Personal Information

Name: _____ Social Security Number: _____
First Middle Last

Former (or Maiden) Name: _____
First Middle Last When Used

Date of Birth: _____ Place of Birth: _____

Business Telephone Number: _____ Home Telephone Number: _____

Residence Address: _____
Street City State Zip From To

Previous Address: _____
Street City State Zip From To

Work Experience

From: _____ To: _____ Company Name: _____

Location: _____

Title and Duties: _____

From: _____ To: _____ Company Name: _____

Location: _____

Title and Duties: _____

From: _____ To: _____ Company Name: _____

Location: _____

Title and Duties: _____

Education or Technical Training

From: _____ To: _____ School: _____

Location: _____

Major and/or Degree: _____

From: _____ To: _____ School: _____

Location: _____

Major and/or Degree: _____

Are you a U.S. Citizen? ☐ Yes ☐ No

Are you employed by the U.S. Government? ☐ Yes ☐ No If yes, Agency and Position: _____

Have you previously received Government financing? ☐ Yes ☐ No

If yes, please describe (borrower's name, agency borrowed from, original amount and date, outstanding balance, status, collateral, etc.):

Are you presently under indictment, on parole or probation? ☐ Yes ☐ No

Have you ever been charged with and/or arrested for any criminal offense other than a minor motor vehicle violation?

☐ Yes ☐ No

Have you ever been convicted of any criminal offense other than a minor motor vehicle violation? ☐ Yes ☐ No

Have you or the officers of the company been involved in bankruptcy or insolvency proceedings? ☐ Yes ☐ No

If so, please attach copies of the proceedings.

Are you or the business involved in any pending lawsuits? ☐ Yes ☐ No *If so, please attach a description.*

The following information is collected for government statistical purposes only.

The following information is required by the U.S. Small Business Administration in order to reflect the participation of various groups utilizing the 504 Loan Program. The information is collected for statistical purposes only and is necessary to document SBA fair-lending practices. It has no bearing on the credit decision to approve or decline this application, but must be collected.

Indicate your percentage ownership of the applicant small business: _____%

Indicate your gender: ☐ Male ☐ Female

Indicate your veteran status: ☐ Non-Veteran ☐ Veteran, *please describe:* _____

With which race do you most closely identify?
(*please choose only one*)

- ☐ African American
- ☐ Asian, Pacific Islander
- ☐ Eskimo or Aleut
- ☐ Native American
- ☐ White
- ☐ Other, *please describe:* _____

Do you consider yourself to be of Hispanic origin?
(*please choose only one*)

- ☐ Not Spanish/Hispanic
- ☐ Puerto Rican
- ☐ Hispanic, other than Puerto Rican

Additional Information

By signing below, you certify that all information given with this application is true and complete. You authorize Growth Corp to verify your statements with any source, and to obtain credit and employment history. You agree to provide any additional information that we may require to process this application.

Signature

Date

ADDENDUM TO APPLICATION AGREEMENT

This addendum substantially revises Part III and Part IV of the Application Agreement for loans approved after February 17, 2009.

All 504 Loan Applicants with 504 loan approval on or after February 17, 2009, will benefit from Section 501 of the American Recovery and Reinvestment Act of 2009, which was signed into law by President Obama on February 17, 2009. This legislation states that the normal fees of the 504 Loan Program have been modified to temporarily eliminate the CDC Processing Fee (1.5% of the SBA portion of the project's financing) and the Third Party Lenders Fee (0.5% of the Bank's portion of the project's financing). Specifically, Congressional appropriations will be used to cover both fees, thereby eliminating those fees to the borrower.

Since the inception of the 504 Loan Program, there has never been an appropriation from Congress to provide financial support for the program. Therefore, the overhead costs associated with the 504 Loan Program have customarily been paid for by the Borrowers benefitting from the loan. However, the aforementioned legislation provides temporary funding for the CDC Processing Fee and the Third Party Lenders Fee, thus significantly reducing the administrative costs added to the SBA portion of the project financing and temporarily eliminating the participating lender fee which was usually passed on to the Borrower by the Bank.

In an effort to enhance the benefits of the 504 Loan Program, Small Business Growth Corporation (Growth Corp) is temporarily eliminating the Commitment Fee. Prior to this change, the Commitment Fee was used to cover the out of pocket costs associated with closing the loan and each Borrower received a refund of the balance. The out of pocket costs typically include the cost of attorney fees, credit reports, recording of mortgages and UCC's, title searches and insurance, flood zone certificates and property tax monitoring. Out of pocket costs will continue to be incurred and each Borrower will continue to be responsible to reimburse Growth Corp for these costs. As a result, we will include in the 504 loan amount \$2,500 for these costs. Furthermore, we will send an invoice for \$2,500 for the attorney's fee when the loan is approved by SBA. We expect that these amounts, together with the application deposit, will cover the out of pocket expenses for most loans. However, there will be occasions when additional work by the professionals performing both the environmental assessments and the appraisal on the project property will be necessary in order to meet SBA's approval standards. Also, in the case of large loans, the cost of title insurance may be larger than anticipated, resulting in cost overruns. In such cases, Growth Corp will invoice the Applicant for reimbursement prior to funding the loan. Keep in mind, any balance remaining will be refunded to the Applicant after the loan funds.

These fees will be eliminated from project pricing structures until the aggregate dollar amount of 504 loans exhausts the funds dedicated to this purpose. Based on projected 504 loan volume, the fee elimination is expected to last through the end of the 2009 calendar year.

IN WITNESS WHEREOF, Growth Corp and the Applicant have executed this Agreement.

SMALL BUSINESS GROWTH CORPORATION

APPLICANT

By _____

By _____

Title _____

Title _____

Date _____

Date _____

Corporate Office:

2401 West White Oaks Drive
Springfield, Illinois 62704-7423
217-787-7557 phone
217-787-2872 fax
800-577-2772 toll free

Chicago Metro Office:

1300 West Belmont
Chicago, Illinois 60657
773-880-1455 phone
773-880-1359 fax

Chicago - South Side:

9611 W. 165th Street, Suite 16
Orland Park, Illinois 60467
847-648-6300 phone
847-919-6878

Southern Illinois Office:

110 North Taft Street, P.O. Box 151
West Frankfort, Illinois 62896
618-932-6135 phone
618-932-3786 fax

St. Louis Area Office:

Two City Place Drive, Suite 200
St. Louis, Missouri 63141
314-292-9531

Contact Us

Toll Free

877-BEST 504
(237 8504)

On the Web

growthcorp.com



Small Business
G R O W T H C O R P O R A T I O N