



Monthly Interest Rates and Other 504 News

October 2016

October 2016 Interest Rates

20 Year

4.26%

10 Year

4.29%

Refinance

4.30%

**SBA Reduces Fees By
22 Basis Points
for FY 2017!**

All loans approved after October 1, 2016 through SBA's fiscal year end, September 30, 2017, will receive a reduced Ongoing Guaranty Fee. This fee is part of the fully effective interest rates that we quote each month. The fee was 0.914% and has been reduced to 0.697% - or a reduction of 22bps!

Gary Witkowski is Back!

We are pleased to announce the return of Gary Witkowski as a Loan Officer for the Northern Michigan and Lakeshore markets. Please contact Gary at Gary@growmichigan.com.



EDF recently partnered with Consumers Credit Union to assist Allen Partners Companies in the funding of three SBA 504 Loans! Mark Allen, a Senior Operations Executive with over 30 years' experience in the furniture and automotive supply industries, had a dream of owning his own business. For six months he actively pursued the right fit, and in 2015 he formed Allen Partners Companies to acquire D & J Precision Machine Services, Inc. and J & J Fabrications, two adjacent fabrication shops located in Allegan, Michigan.



"Working with EDF has been a real pleasure, the team guides you through the process, interfaces with SBA and the local lender, and generally makes an intimidating process painless."

**- Mark Allen, President
Allen Partners Companies**

The companies have since been combined and are now a custom fabrication shop which manufactures hoppers, top bins, support bins and other containers for the agriculture and general industrial market. The company also manufactures industrial cellulose blowing machines for insulation.

Mark's lender, Jeremy Prins of Consumer Credit Union, worked with Mark and Bradd Pierce at EDF to structure the loan for the purchase of the two buildings. For Mark, the loan was a perfect fit because it allowed him to put only 15 percent down, and lock in a low-interest rate for a 20-year term. "Working with EDF has been a real pleasure, the team guides you through the process, interfaces with SBA and the local lender, and generally makes an intimidating process painless," said Mark Allen.

Most recently, Mark's next two 504 Loans were used to purchase the assets and building of E & B Machine Company located in Otsego. E & B manufactures and produces parts for a variety of customers with the majority generated from the industrial machine builder sector. Mark used one loan to purchase the building and the other loan to purchase the equipment. This is a great example of a business using the 504 Loan Program to expand and grow.

To learn more about the benefits of the 504 Loan or how EDF can assist you or your clients, please visit our website at Growmichigan.com or call our office at (616) 459-4825.

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