

U.S. Small Business Administration recently rolled out its “Go Green Financing” program for the SBA 504 loan program. Total project financing up to \$10 million is now available to Small Businesses who meet the following criteria:

- At least a 10 percent reduction in energy consumption validated by an energy consultant.
- Processes that generates renewable energy or fuels such as biofuels. It is important to note that this provision is not restricted to renewable energy production industries. In fact, projects in any industry that apply renewable technologies such as solar panels for their own internal use can be classified as green projects.

For example, a hotel operator who had already exhausted their SBA 504 funding availability (up to \$2 million) wanted to acquire a second hotel. With the SBA 504 “Go Green” financing program, the hotel operator demonstrated to the SBA that the second location will reduce energy consumption by more than 10%. The hotel operator worked with an energy consultant to devise a plan to reduce energy consumption and implemented the energy savings plan into the SBA 504 financing. This provided up to an additional \$2 million in 504 funding availability.

While many lending participants have either substantially reduced or eliminated their loan participation, Business Finance Group (BFG), with its core community bank lending partners, has continued to be a very active participant and is positioned well to assist small businesses to expand their business horizons.

BFG has more than 40 years of combined lending experience. Please call one of our qualified staff to discuss how Business Finance Group can provide small business financing assistance.