

SBA 504 Green Energy Loan Program

What is the 504 Green Energy Loan Program?

Business owners looking to purchase commercial real estate can secure multiple SBA 504 loans up to \$5.5 million maximum SBA/CDC contribution for each project that meets SBA green energy standards

Benefits

- ❖ **Larger SBA/CDC Loan Amount:** SBA maximum contribution increases to \$5.5 million cap with no maximum total project limit.
- ❖ **Non-Aggregated Lending:** Borrowers can have multiple SBA 504 Green Project loans with no limit on how much capital is currently borrowed (up to the maximum SBA/CDC contribution of \$5.5 million per project). However, the total SBA/CDC contribution on multiple loans is capped up to \$16.5 million for the same business owner.
- ❖ **Save Money:** Reduction in energy costs will have long-term financial benefits for the business, while most energy improvements/equipment can be financed within the loan.

Eligibility

Borrowers need to only meet one of the following goals to qualify:

- ❖ **GOAL #1 Reduce energy use by at least 10%:** Improvements to a building currently occupied by the borrower must show a minimum of 10% reduction to energy usage (compared to historical consumption) through upgrades in equipment such as improved lighting, insulation, HVAC, and other energy consuming equipment.
- ❖ **GOAL #2 Generate at least 10% Renewable Energy:** The property must have upgrades performed that produce at least 10% renewable energy. Energy that can be produced includes solar, wind, geothermal, hydropower, and biomass.
- ❖ **GOAL #3 LEED Certification:** If historic energy consumption records for the property are not available, a project can qualify if it is built or retrofitted using LEED certification standards through the completion of upgrades.

Questions? Contact us for more information: mmora@peoplefund.org or 469-471-8953

