

Prospective SBA Financing  
 601 & 603 South 8<sup>th</sup> Street, Richmond, CA

10% Down Payment

The below sample structure is provided to give you an idea of what the payments would be for projection purposes.

Bank 1 <sup>st</sup> mortgage	\$425,000	49.4 %
SBA 504 2 <sup>nd</sup> mortgage	350,000	40.7 %
Small business cash injection	<u>85,000</u>	<u>9.9 %</u>
<b>Total Sources of Funds</b>	<b>\$860,000</b>	<b>100%</b>

**Fees, Terms and Rates for Bank Loan (Estimated)**

Rate (10-year fixed) .....	6.75 %
Amortization .....	25 years
Payment .....	\$2,936

The term above assumes a 25-year term with payments amortized over 25 years on first mortgage loan. Please advise as to what your financing objective is as banks offer many different financing options on the 1<sup>st</sup> mortgage loan.

**Fees, Terms and Rates for SBA 504 Loan (Estimated)**

Fixed (Estimated& Fixed) .....	5.4 %
Fees .....	2.15% plus \$2,000 (financed)
Term/Amortization .....	20/20 years fully amortized
Payment.....	\$2,388

Your estimated total payment excluding taxes and insurance (and association dues, if applicable) would be \$5,324 per month or \$63,888 per year. Taxes and insurance are estimated at 1.25% of project amount or approximately \$10,625 per year.

601 S 8<sup>th</sup> with 3500 sq.ft. of warehouse is available to OCCUPY with two months written notice. The 603 S 8<sup>th</sup> Street warehouse is leased at \$1500 per month, plus PG&E. So a BUYER could occupy the 601 S 8<sup>th</sup> Street building and collect rent from the 603 S8th building, thereby reducing the monthly payments to \$3,824 per month.

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