

dakota BUSINESS finance

Friday, June 13, 2008

INSPIRATION FROM YOU.
SMALL BUSINESS FINANCING FROM US.

IN THIS ISSUE:

- ❖ [Dakota BUSINESS Finance Receives National Performance Recognition](#)
- ❖ [New Business Feature: The Control Center](#)
- ❖ [Contracts for Deed and the SBA 504 Program](#)
- ❖ [SBA Extends Implementation Date for New Standard Operating Procedures to August 1, 2008](#)

Dakota BUSINESS Finance Receives NADCO Performance Award for FY 2007

The National Association of Development Companies (NADCO) recognized Dakota BUSINESS Finance with an annual Performance Award at its national conference in Hilton Head, SC in May. Dakota BUSINESS Finance was recognized for achieving the largest percentage increase in the number of loans approved by Certified Development Companies with portfolios below \$10 million in the entire nation.

Dakota BUSINESS Finance received its SBA Certified Development Company designation in FFY 2006 and began making loans that same year. "We are honored to be recognized for our efforts over the last year," states Lynne Keller Forbes, Executive Director. "While approving loans is important, we are most proud of the fact that Dakota BUSINESS Finance has had 100% of its loans submitted to SBA approved, and 100% of the loans that have been approved and are ready to close have received funding from SBA. Since the 504 program is take out financings for third-party lenders, we want our lending partners to feel comfortable that Dakota BUSINESS Finance has done its due diligence to ensure not only that SBA approves the loan, but also that the loan closes and receives funding from SBA."

Current Rates – June 2008

- 20 Year Debenture: 6.65%
- 10 Year Debenture: 6.11%

Effective rates over the 10- or 20-year term of the loan.

Contact Us

500 N. Western Ave., Ste. 100
Sioux Falls, SD 57104
605-367-5353
605-367-5394 (Fax)
www.dakotabusinessfinance.com

Shawn Pritchett
shawn@dakotabusinessfinance.com

Jessica Evans
jessica@dakotabusinessfinance.com

Amber Gibson
amber@dakotabusinessfinance.com

Did You Know?

The SBA 504 program can be utilized for projects involving multiple operating companies.

Do you have several building tenants interested in purchasing a building collectively? The SBA 504 program allows multiple operating companies to form a holding company to purchase real estate as long as the operating companies collectively meet the occupancy and other eligibility requirements of the SBA 504 program. This is particularly relevant to businesses that may want to collectively or jointly purchase the retail center that they currently occupy.

For more information on how to the SBA 504 program can assist in these

New Business Feature: The Control Center A New Way to Think About Fitness

Southern Sioux Falls will soon have a new kind of fitness center serving residents throughout the community. Located in Waterfall Plaza at the corner of 69th and Minnesota, the Control Center is not your typical fitness center. Developed by Aaron and Wendy Boe, the Control Center focuses on improving chronic health issues through physical fitness. Although open to anyone, the Control Center is targeting clients that suffer from diabetes, obesity, and other related on-going health issues.

Both Aaron and Wendy work in healthcare and wanted to create a center where people would feel comfortable working out and develop a regular work-out routine that they can stick to. “We want people to understand that even low-impact exercise, done on a consistent basis, provides significant healthcare benefits,” states Aaron Boe.

Not only will you find typical amenities such as aerobic fitness equipment and free weights, clients also have an opportunity to take advantage of an indoor walking area, sporting and fitness games using a Nintendo Wii system, ping pong, and foosball. “No matter where you are at on the fitness scale, you will find a comfortable home at the Control Center,” Aaron states. “We are looking to help people that have previously attempted to start a regular fitness routine, but have quit due to lack of support. We are not just looking to provide an area to work out. We want to build a community of support that will help people build fitness into their daily lives.”



situations, contact Shawn Pritchett or Jessica Evans at 605-367-5353.

Subscribe / Unsubscribe

To Subscribe to this e-newsletter, send your contact information with the word “subscribe” in the subject header to:

shawn@dakotabusinessfinance.com

To Unsubscribe to this e-newsletter, send an email to the following address with the word “unsubscribe” in the subject header.

shawn@dakotabusinessfinance.com

In his work, Aaron has seen how medications have become the primary and sometimes exclusive solution to solving many health-related issues such as diabetes. “While medication is part of the solution, a broader approach that focuses on diet and exercise is critical,” Aaron states. “As doctors are continually pressed to see more and more patients, their ability to work with individuals to develop and track an appropriate nutrition and fitness routine is difficult. As healthcare costs continue to rise, a broader approach is necessary.”

The Control Center has a full time physical trainer on staff that will assist new customers with developing a customized workout plan and provide assistance in learning how to use each piece of fitness equipment. The Control Center is also offering a limited time opportunity to schedule a free 30 minute appointment with the physical trainer.

Amenities of the new center include complementary goal setting for tracking weight, body mass, lipids, blood pressure, etc. Having a hard time tracking your doctor appointments? The Control Center can keep a calendar for you and give you a friendly reminder when your next appointment is. The Control Center will also offer the latest educational information on medicines, including valuable rebates for commonly used drugs. “Its all about connecting traditional healthcare with fitness to reduce healthcare costs for our clients,” states Aaron.

The Control Center is hosting an open house on Thursday, July 10th from 5 p.m. to 9 p.m. The Center is open from 6 a.m. to 9 p.m. weekdays and 11 a.m. to 4 p.m. on weekends. Interested individuals are welcome to stop by at any time to get a tour of the facility and see what amenities the center has to offer.

The Control Center received a startup loan from the South Eastern Development Foundation in partnership with Dacotah Bank. For more information on the SEDF revolving loan fund, contact Jessica Evans or Shawn Pritchett at 605-367-5353.

Contracts for Deed and the SBA 504 Program

Dakota BUSINESS Finance has received some inquiries from lenders about refinancing Contracts for Deed. SBA almost always considers a Contract for Deed to be refinancing of a term loan and ineligible for the SBA 504 program. If your borrower enters into a Contract for Deed, it will preclude them from taking out a 504 loan later to buy out the Contract for Deed.

If your borrower wants to do a 504 loan on the project at a later date, the borrower should lease the property with an option to buy. There is an option to have a portion of the lease payments applied to the 504 project's equity injection if this is appropriately accounted for in the original lease.

If you have questions about Contracts for Deed or lease to purchase options and their implications for the SBA 504 program, contact Shawn Pritchett or Jessica Evans at 605-367-5353.

SBA Extends Implementation Date for New Standard Operating Procedures 50 10(5) to August 1, 2008

SBA's anticipated effective date for the new modernized SOP 50 10(5) has been extended to August 1, 2008. The SOP 50 10(5) is the primary program guide for SBA's lending programs. The new SOP 50 10(5) has been updated to include current SBA processing policies and procedures, improve search capabilities, and decrease the overall size of the document to 388 pages.

The new SOP is available online and includes some changes that will impact the processing of 7(a) and 504 applications and the eligibility of particular projects. The new SOP can be found online at the SBA's website ([click here](#)). SBA has also published a [technical corrections guide](#), summarizing the changes made to the draft SOP since it was previously released with an anticipated implementation date of May 1, 2008.

Overall, the new SOP does not significantly modify the policies and procedures of the SBA 504 program, but there are minor changes that will become effective on August 1. Dakota BUSINESS Finance continues to track the status of these changes and, as always, is a resource to lenders with questions about the qualification of projects for SBA 504 financing.

Dakota BUSINESS Finance will be sending out informational updates in the near future on some of the changes included in the modernized SOP and how they impact SBA 504 projects.

If you have any questions on the new SOP and potentially qualified SBA 504 projects, contact Shawn Pritchett or Jessica Evans at 605-367-5353.

Dakota BUSINESS Finance | 500 N. Western Avenue, Ste. 100 | Sioux Falls, South Dakota | 57104

Tel: (605) 367-5353 | Fax: (605) 367-5394 | <http://www.dakotabusinessfinance.com>

LEGAL DISCLOSURE: While we have used our best efforts to deliver accurate and complete information, we do not warrant accuracy or completeness, are not responsible for errors and omissions and are not liable for any direct, indirect or consequential damages arising out of or in connection with the information presented.