

# Cascades West Financial Services, Inc. Newsletter CWFSI

Your SBA 504 Source

Serving Oregon Business since 1983

February, 2008



**10 Reasons  
for Your  
Business to  
Own its  
Building!**



**Why Partner  
with  
Cascade West?**



**APPLY NOW  
to start your  
business  
in a better  
direction today**

## LOAN OFFICER SPOTLIGHT



Meet Dawn Newman. When you ask one of the many businesses who have worked with Dawn what they think of her, you invariably get a comment like the one from Sherry Quarry of Scappoose Creek Inn. "Without Dawn's help we would not own this business. Our original banker had to back out at the last minute and Dawn stepped in and found us another bank within days. We had never dealt with SBA and had heard about the red tape but Dawn cut right thru it. It felt good that someone believed in us"

Dawn has been working as a loan officer for six years, prior to that she worked as a CPA. As more than one banker has mentioned, "We can call on Dawn anytime. She feels like one of our own staff."

**Cascades West Financial Services** is the largest Oregon-based SBA Certified Development Company providing Oregon Businesses with up to **90% financing** and **below market interest rates** with terms of up to **20 years** through the **SBA 504 Program**.

••• February Interest rates: 6.128% - 20 year •••

### Did You Know .....

Dave Dahlin has joined the staff of our Lending Partner, Mid-Willamette Valley Council of Governments? Dave, as most of you might know, has worked for the Oregon Economic and Community Development Department and has already done several SBA 504 deals for us. Dave is a perfect fit for us. He brings with him not just strong underwriting skills but knowledge of other local, State and Federal programs which is invaluable in meeting the needs of growing Oregon Business. We are happy to have him.

### SBA 504 Facts:

- Commercial loans for small to mid-sized businesses
- Financing for fixed assets - owner occupied commercial real estate, machinery, and equipment
- Up to Ninety percent (90%) financing of the total project cost (including closing and soft costs)
- Fixed and/or variable, below-market interest rates
- Terms up to 20 years for real estate and 10 years for machinery and equipment.

### Banker's Corner

**High profit, low risk, who wouldn't consider selling into the Secondary Market?**

**504 Secondary Markets with Bank of the West  
By Robert K. Porter, VP/BDO III**

As the Northwest Secondary Markets representative for Bank of the West, I cover Oregon, Washington, Idaho, Alaska, N. California, Arizona, Nevada and Hawaii. I frequently travel educating lenders and CDC's about Bank of the West's roll in the Secondary Market.

**We offer a number of benefits to Banks - the largest being non-interest Premium income.** This is the #1 driving factor that motivates lenders into the Secondary Market. Additionally, lenders sell into the Secondary Market due to industry or property type concentrations (often those they would not customarily finance), customer or bank lending limits, geographic lending constraints, and additional product offerings (i.e. 25 year fully amortized loans, no call dates, 5, 10, and 25 year fixed rates, etc.) as a means of customer retention.

General Use properties are every Secondary Market lenders preference, however we entertain most Special or Limited Use properties as well. Most property uses and business types are eligible; however some that we steer away from include marinas, recreation facilities, entertainment centers, and elderly congregate care, funeral homes and crematoriums. That is not to say that we will not finance these industries. Rather, we do not solicit them and would take a significantly closer look at those requests!

Loan size for my Secondary Markets division has ranged from \$250,000 to \$6,000,000 over the past 12 months. Gross premiums (that is before loan fees paid by the borrower to the lender, less SBA's 0.50%) range from 2.50% to 7.0%. Average gross premium over the past 12 months is 4.2%. So, a lender charging a 1.5% loan fee, less 0.5% SBA fee would make an average 5.2% net on an average \$950,000 loan or \$49,400 in non-interest Premium/Fee Income on that loan. Customarily, that loan is Direct Funded by Bank of the West and the lender only makes the borrower the 35% or 40% interim 504 bridge loan. As such, the return to the lender is incredible! Loans can also be purchased from the lender anytime after closing

For more information, please contact Bank of the West

Robert K. Porter, VP/BDO III  
Bank of the West - SBA Secondary Markets  
robert.porter@bankofthewest.com  
(916) 787-0240 - office  
(916) 206 - 9100 - cell



**CASCADES  
WEST**

**Financial Services, Inc.**

*Lending the money that keeps America working!*

For information on the best tools to finance your business please contact any of Cascades West Financial Services Loan Officers:

Dan Betschart	541-682-3359	sdbetschart@lane.cog.or.us
Steve Dignam	541-682-7450	sdignam@lane.cog.or.us
Dawn Newman	541-265-8707	dnreno@ocwcog.org
Brenda Baze	541-924-4538	bbaze@ocwcog.org
Diane Searle	541-924-8480	dsearle@ocwcog.org
John Safstrom	503-588-6177	jsafstrom@mwwcog.org
Dave Dahlin	503-588-6177	ddahlin@mwwcog.org