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For Immediate Release

St. Louis County Creates Special Loan Program for Small Businesses

St. Louis, MO, January 8, 2010 – St. Louis County Economic Council has unveiled an innovative small business loan program that is deemed the first of its kind in the United States and will help boost lending for entrepreneurs.

Introduced by St. Louis County Executive Charlie A. Dooley at the *St. Louis Business Journal's* annual State of St. Louis address, BOOST is an alternative to the Small Business Administration's (SBA) 504 loan program, offering less restrictive requirements to borrowers seeking financing for the purchase or construction of land, buildings, machinery, and equipment within St. Louis County.

“With the credit crisis and small business owners having difficulty in obtaining financing, BOOST comes at an opportune time,” said Dooley. “It provides borrowers with a viable option that’s not hampered by bottlenecks, red tape and high costs. I believe that BOOST will serve as a model for similar programs nationwide.”

Like the SBA 504 loan program, a borrower typically injects only 10 percent of the total loan amount; its bank lends 50 percent of the total project cost and St. Louis County Economic Council lends up to 40 percent. While there is no maximum project size, in most cases the maximum BOOST loan is \$500,000 with up to a 20-year term. In addition to receiving up to 90 percent financing, borrowers have the option of a variable or fixed rate with no prepayment penalty for the floating rate.

“Borrowers will appreciate the added benefits BOOST provides such as having the choice of a floating or fixed interest rate,” said Rick Palank, senior vice president for the Economic Council’s Business Finance Division. “The program is unique not only in this option, but in its less restrictive requirements for net worth, income size and personal liquidity limits.”

The BOOST loan program is administered by St. Louis County Economic Council's business finance staff. The Business Finance Corporation of St. Louis County, a 501(c)(6) organization, approves all loans and since 1981 has disbursed more than 440 SBA 504 loans representing over \$147 million.

About St. Louis County Economic Council

Founded in 1984, SLCEC is a not-for-profit economic development organization responsible for creating high-quality business and employment opportunities for long-term diversified growth throughout St. Louis County and region. SLCEC oversees several local and regional economic development programs including World Trade Center Saint Louis, various loan programs, small business incubators, business development and retention services, and community redevelopment.

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