



[Our Events](#) | [About](#) | [Contact](#) | [Archive](#) | [Log In](#) | [RSS](#) |



PAVING THE WAY FOR PHOENIX SMALL BUSINESS GROWTH

Posted on [May 8, 2012](#) by [AZRE](#)



1 2 2 0

Foreshadowing federal reports of an uptick in demand for commercial real estate and small business lending, CDC Small Business Finance recently funded two loans to help a local company purchase three commercial buildings in Phoenix.

We wanted to take advantage of lower property values and low financing rates to purchase the buildings,” said Todd Franklin, owner of Arizona Sun Supply, a wholesaler/distributor of solar screen products. “The additional square footage we gained will give us the space we need to warehouse all of our raw materials and give us more room to grow.”

Franklin benefited from using the Small Business Administration 504 loan program, designed to help small businesses purchase commercial real estate at below-market fixed rates and minimal down payment. The

anticipated result is that small businesses expand and are able to create new jobs.

CDC Small Business Finance teamed up with Bank of America on the Arizona Sun Supply loans. CDC provided the SBA-504 fixed-rate loan to finance 40% of the total purchase, Bank of America provided 50% with a conventional loan and the small business needed only to contribute a 10% down payment. Arizona Sun Supply's commercial real estate loans totaled just less than \$1M.

Typically, small businesses are unable to tap into the long-term capital market, but can do so with a SBA 504 loan. Business owners of growing companies usually come to a crossroads of whether they should buy a facility or lease. An SBA-504 loan makes purchasing attractive because the cash down payment required by the owner is minimal, allowing the small business to preserve its cash for ongoing operations. Plus, long-term tax benefits are often realized.

Arizona Sun Supply, Inc. (AZSUN) operates as a niche supplier with a focus on specialty products that reduce the negative impact of the sun. As the top supplier of Textilene products, a durable mesh fabric made from PVC resin that is specifically designed to block the sun's harmful rays, the company sells at wholesale prices to the general public across the U.S. In Arizona, they only work directly with sunscreen and shade structure businesses.

"The window shade business can be cyclical based on housing growth rates in the market," Franklin said. "However, we've been growing at a steady rate because we continue to add new products to sell across the country and have not been reliant on sales in one or two markets."

The primary areas of growth have been in shade fabric installed in parks, schools and other outdoor venues. Arizona Sun Supply's general product line includes solar, screen fabrics, sliding and swinging doors, aluminum screen frames, sail and structure fabric, insect and pet screen and Textilene outdoor fabric enhanced with fire rated performance.

Over the past six months Small Business Finance has funded 21 SBA-504 loans, partnering with banks to provide \$39M in financing to Arizona small businesses.

"Like Arizona Sun Supply, small businesses are taking advantage of lower property values to purchase new facilities for expansion," said Lisa Alberti, loan officer for CDC Small Business Finance.

Alberti added that other Arizona small businesses are taking advantage of a refinance program revamped by the SBA and available through September. This program is designed to help small business owners facing balloon payments on conventional commercial property mortgages. The current refinance rate through this program is 4.95%. (For more information, <http://tiny.cc/SBA504refi>).

The 504-loan program was created by the SBA for the specific purpose of financing long-term fixed assets such as commercial real estate and equipment with economic life of 10 years or greater.

CDC Small Business Finance's office is located at 2575 East Camelback Road, Suite 450. For more information, contact Lisa Alberti (602-635-8413 or lalberti@cdcloans www.cdcloans.com)



1

Tweet 2

Share 2

Like 0

Related Articles



**City Of
Phoenix
Makes
Changes To**



**Arizona
Commercial
Real Estate
Financing**



**Phoenix
Market Is
Affordable
Again**



**W.P. Carey
School of
Business
Teams With**



**Commercial
Nearly
Doubles**

ABOUT AZRE
AZRE | Arizona Commercial Real Estate is Arizona's only publication dedicated to covering up-to-date happenings within commercial development, brokerage, finance, construction, architecture, real estate law and property management.

[View all posts by AZRE ->](#)

**The
Rockefeller
Group**

Tags [arizona sun supply](#), [business lending](#), [cdc small business finance](#), [Commercial real estate](#), [property values](#), [sba 504](#), [small business](#), [solar screen](#), [todd franklin](#)

NEWS / NEW TO MARKET / NEWSMAKERS / ECONOMIC DEVELOPMENT / EVENTS / CLOSED SALES / FOR SALE / LEASING / PROJECTS
DISCUSSION / EMPLOYMENT