



# *News Release*

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## *Vice President Biden & Administrator Mills Visit 504 Borrower in Ohio*

McLEAN, VA – Wrap Tite, Inc. in Solon, OH, was the site chosen for a press conference by Vice President Joe Biden and SBA Administrator Karen Mills on September 20 where they announced a new small business lending initiative by thirteen major banks.

The Vice President and Administrator Mills toured Wrap Tite's facility prior to their press conference and learned that the small business is a minority-owned company that has been in business since 2004 providing plastic-based converted stretch film that is used in commercial packaging.

The business also happens to be a recent SBA 504 borrower. The company's owners worked with **Growth Capital Corp.**, a Certified Development Company, in Cleveland on their 504 loan and received a first mortgage loan from Charter One Bank for their real estate project.

Wrap Tite, Inc. used their SBA 504 loan to purchase and renovate a building in Solon. The business owners were utilizing three leased warehouses last year and the leases on all three buildings were scheduled to expire in September 2010. With the availability of commercial real estate in their area and the favorable interest rates on SBA 504 loans, they began searching for a suitable building to purchase last summer. They located an 87,441 sq. ft. building that had been vacant for three years and realized that with some investment in renovation, the building would be perfect to consolidate their operations. Prior to the move Wrap Tite had thirteen employees, however, after their move they added five new staff members to deal with the extra business they are now able to handle.

This 504 project brought a vacant building back to life, allowed the business owners to lock in occupancy costs for a building they now own rather than lease, and the business was able to consolidate and expand operations. There are still deals to be made on commercial properties that are currently on the market at very attractive prices. If a small business has been considering investing in a building, now is a great time to act.

The SBA 504 loan program continues to provide long-term, fixed rate financing for commercial real estate and the purchase of long-term capital assets. In fact, the current interest rates are the lowest they have been since the program's inception in 1986. The SBA's lending partners, Certified Development Companies (CDCs) are busy working with small business borrowers who are taking advantage of these great rates to finally purchase or build their own facilities.

Any business owner seeking financing for commercial real estate or equipment purchases should visit [www.nadco.org](http://www.nadco.org) and use the “Find a Member” option to locate a CDC in their area. Or call the National Association of Development Companies (NADCO) at 703-748-2575 for assistance in finding a member CDC. A CDC can promptly answer any and all questions and let business owners know if their projects will work for an SBA 504 loan.

**About the [National Association of Development Companies](http://www.nadco.org) (NADCO)**

Created in 1981, the National Association of Development Companies is the trade association for America’s Certified Development Companies (CDCs). Certified by the U. S. Small Business Administration, CDCs are community-based economic development organizations that serve their local communities and states, and are dedicated to the promotion of small business expansion and job creation through SBA’s 504 Loan Program. In addition to the 504 program, many CDCs also provide small businesses with access to other Federal, state and local economic development loan programs.

Based in the suburbs of Washington, D.C., NADCO provides legislative and regulatory support for the 504 Loan Program on behalf of CDCs, the program’s lending partners (including first mortgage lenders, attorneys and others allied to the industry), and 504 small business borrowers. For more information, please call (703) 748-2575 or visit <http://www.nadco.org>.

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