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MEACO HELPS WORLD WINES & LIQUOR RESURRECT BUILDING

Owner Sees Great Opportunities In Mentor For His Business

Mentor, OH - October 17, 2006 – With the help of MEACO’s SBA 504 Loan Program, World Wines & Liquor has a new building that more than doubles its retail space and also provides a rental income for owner Alan Iacafano. Mentor residents driving by the once vacant building enjoy its elegant facelift and prosperous look, which contributes to the resurgence of the “Downtown Mentor” section of Mentor Ave.

MEACO, the Mentor Economic Assistance Corporation, is a not-for-profit Certified Development Corporation that works in conjunction with the City of Mentor and the Small Business Administration to provide low interest loans to Mentor Businesses.

“I was a tenant in a 4000 square foot strip center with my wine and liquor business and my lease was coming up,” he said. “I was looking toward expanding, and also toward the future, wondering what I could do towards my retirement? I found the old Sam’s Golf building on the corner of Little Mountain Rd. and Mentor Ave. It was 17,000 square feet. I knew I would want to leave the past behind with any thought of this being a golf business, so I wanted to completely redo the front. With the financing package I was able to purchase the building and do a facelift. Now, my store occupies 9000 square feet and I have a tenant, currently an attorney, in another section of the building. Within six months I hope to own and operate a wine bar in the middle section. My retirement will be rentals paid from business once the loans are paid off.”

Frequently used for new construction or expansion loans, the SBA 504 Loan requires the borrower to get initial approval for 50% of the project cost from a private lender. The SBA then guarantees an additional 40%. The borrower’s down payment is as little as 10%, a significant advantage over bank financing, which generally requires 20% from the borrower. The SBA will guarantee loans of up to \$1.5 million under this program, making it an ideal funding source for projects as high as \$3.8 million. The financing is available for land, buildings, whether new construction or renovations, and/or equipment.

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Iacafano believes Mentor offers his business a great deal of opportunity for growth. "In the two short years since we moved, we've quadrupled our business," he said. "What I always had in the back of my mind was to have a nice wine shop. Because of the room I have now, we can do wine tastings on the weekends. We are able to have a temperature-controlled wine cellar. Nobody in Lake County has the inventory we carry." The business has also increased its staff, from two full and two part time members to four of each.

Designed to stimulate business expansion, the SBA 504 Loan Program is available to for-profit small businesses with a net worth of up to seven million dollars. It provides fixed rate financing that is typically below market value. Real estate loans are 20-year term. Loans for heavy equipment are 10 and 20-year terms.

"For sure, if it had not been for MEACO the loan would cost a lot more than it does," Iacafano said. "I am very pleased that I was able to get such a reasonable loan."

For more than 23 years, MEACO has helped new and existing local businesses obtain long-term, low-interest loans for building construction, expansion or new equipment purchases. Working directly with small businesses and their banks to get prompt financing, MEACO also provides valuable assistance to applicants throughout the paperwork process. MEACO has helped finance projects for small and medium-sized businesses throughout Mentor, and has resulted in the creation or retention of more than 1,300 jobs throughout the city. Visit the MEACO website at www.meacoweb.com or contact Tom Thielman at 440-974-5739 or meaco@cityofmentor.com for more information.

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Editor Note: Thomas Thielman, MEACO Executive Director, is available for commentary. Please contact Tom Mitchell, Marshfield Group, 440-974-8448 or 216-219-5645 (cell) to schedule an interview.