



Editorial Contact
Tom Mitchell
The Marshfield Group
216-219-5645
tom@marshfield.com

Reader Inquires
Thomas Thielman
440-974-5739
meaco@cityofmentor.com

MENTOR GYMNASTICS SCHOOL EXPANDS WITH HELP FROM MEACO *Owner Didn't Have to Jump Through Hoops for SBA 504 Loan*

Mentor, OH – November 16, 2006 - All Around Gymnastics Academy Inc., a Mentor gym that trains children in gymnastics and cheerleading, was able to more than double its space with the help of an SBA 504 loan from MEACO, the Mentor Economic Assistance Corporation.

"I own a gymnastics school, and after 13 years I was looking to expand," said owner Tom Logar. "I found an acre and three quarters on Pinecone Drive in Mentor, and built a new, 12,000 square foot gym. The total cost was \$750,000."

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.

"I went to a conventional lender first, then to MEACO," said Logar. "The people at MEACO were an absolute pleasure to deal with. It was just a matter of doing a couple of applications and interviews, presenting the project and business plan, a personal resume and my history with the city. Then it went to review with MEACO's committee. I only met with them a couple of times, mostly for financial statements."

"I was amazed at how easy it was, compared especially with the conventional end of the loan package. MEACO was excellent in helping me out with everything, the most accommodating and helpful people on the entire project. I would highly recommend that businesses go to MEACO for financing if they need that kind of loan."

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.

-more-

Logar said that his business has almost tripled since moving to the new gym. “We’ve increased our enrollment, our number of employees, and our presence in the community,” he said. “It’s been great all the way around.”

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.

###

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.