

# **POWERSPORTS**

## **BUSINESS**

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### **A new dealer floor plan option now available**

*Powersports Business*

Friday June 19, 2009

The U.S. Small Business Administration (SBA) will offer a Dealer Floor Plan financing pilot program that will begin July 1 and go until Sept. 10, 2010. The SBA will then decide whether to extend the program, according to a press release from the Motorcycle Industry Council (MIC).

The program is under the SBA 7(a) loan program for qualifying small businesses, including new and used motorcycle, automobile, RV, manufactured home and boat dealerships.

DFP loans will be made only for inventory that can be titled. Available loan amounts will be \$500,000-\$2 million with a maximum repayment term of five years and will come with a 75 percent government guarantee. Additionally, borrowers will receive the fee reduction benefit provided by the American Recovery and Reinvestment Act of 2009.

"Taking advantage of the SBA Dealer Floor Plan financing program may be just the lifeline some dealerships need to get through these challenging economic times," MIC President Tim Buche said in the release.

The SBA's FAQ on the Dealer Floor Plan Financing program can be found at <http://www.sba.gov/floorplanfinancing>.