



Big banks not the only option for commercial real estate loans - Why credit unions might be the wiser lender

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Nearly half of all commercial mortgages are held by banks. Businesses also turn to asset-backed trusts, government sponsored enterprises, Agency and GSE-backed mortgage pools, and life insurance companies for commercial real estate financing. However, increasingly more common lenders are credit unions, which are not-for-profit financial cooperatives that can provide financing and other banking services at more competitive rates than other types of financial institutions. Here are a few reasons why businesses should look into credit unions when deciding to make a commercial property investment.

Wide Range of Finance Options

Credit unions are typically able to offer flexible financing. At NEFCU, a leading credit union serving all Long Island's banking needs, we can help you finance the construction or purchase of your business property or refinance an existing commercial mortgage at a lower, members-only rate.

Competitive Rates & Structure

Our loan offerings feature amounts between \$500,000 to \$10 million. We have competitive loan-to-value percentages. NEFCU loans are available with up to 75% financing on investment real estate, up to 80% financing on owner-occupied real estate, as well as up to 90% financing by partnering with the Small Business Administration (SBA).

Customized Terms

Terms also vary depending on your needs and situation. We are able to offer up to 15-year terms and amortization up to 25 years. Our competitive rates combined with our common sense underwriting make us a smart choice for your borrowing needs. And if you're a non-profit or religious organization, we will work with you in the same manner as our other borrowers.

Less Restrictions on Eligibility

Credit unions typically are able to finance less traditional property types. NEFCU services a variety of property types including, but not limited to: offices, retail, industrial and warehouses; medical; professional buildings; mixed-use; multi-family; special-use properties; houses of worship; non-profits; commercial condos and co-ops; and day care centers. In addition, NEFCU does not exclude restaurants or contractors.

A Personalized Approach

A credit union will most likely be more than just your lender. At NEFCU we actually listen to your needs and become a resource to help your business succeed. We will work closely with you to find a creative customized option and will work closely with the underwriters to ensure your loan is processed expediently.

With low interest rates, rising real estate values and improved credit quality, it may be the perfect time to make an investment in your commercial property. Don't get discouraged if one of the larger

banks turns you away. Look into alternative options, especially a local credit union, which may be able to help you get the funding you need.

NEFCU is one of Long Island's leading not-for-profit full-service financial institutions that proudly offers its affordable banking services to all Long Islanders. With over \$2 billion in assets and over 160,000 members, NEFCU is headquartered in Westbury and has branches and a shared branch network throughout Nassau and Suffolk Counties. To join NEFCU, eligible members must live, work, worship, attend school, or regularly conduct business in Nassau and/or Suffolk Counties (excluding the townships of East Hampton, Southampton and Shelter Island). Existing NEFCU members may also sponsor immediate family members or household members.

NEFCU was recently chosen as a Nassau County Industrial Development Agency preferred lender providing financing and related financial services to small and mid-sized businesses in Nassau County. Under the arrangement, NEFCU will be an IDA-approved lender that will respond to referrals made by the agency of small and mid-sized businesses seeking access to financing and related financial services with respect to acquisition, construction, renovation, equipment purchase, refinancing and working capital projects. NEFCU has committed to lending \$30 million during the two-year partnership.

For more information call our commercial services officer at 516-714-2965, email us at BusinessServices@mynefcu.org or www.myNEFCU.org.

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