



I've Got a Fever!

...and the only Prescription is 504!

By Nick Dmitrovich

Medical companies make up one of the most diverse sub-sectors found throughout the state of Indiana's small business industries. Whether it's a physician's private practice, a pharmacy, a rehabilitation center, or any other of the hundreds of business models that work to improve patient health and well-being, each one of these small Indiana medical companies is decidedly unique and specialized.

But, just like any other small business category, medical companies often rely on the support of calculated financial advice, loans and strategy in order to achieve their unique goals.

The Regional Development Company (RDC), located in Valparaiso, IN, is a Certified Development Company (CDC) that has helped dozens of different medical businesses expand their operations and acquire new equipment through the U.S. Small Business Administration's 504 loan program. By utilizing 504 loans,

medical companies can finance their projects or purchase new equipment with just 10% down, which can be advantageous for their specialized needs. Additionally, the RDC's interest rates are highly competitive when compared to traditional loans.

"Over the RDC's 20-year history, we've seen an incredibly wide array of different medical companies use 504 loans in interesting ways," said Erica Dombey, President & Executive Director of the RDC. "Many of these small medical companies need to purchase some very expensive, and very specialized, equipment for the types of services they provide to their patients. Being able to gain financing for these items with just a 10% down payment can be a game-changing event for these businesses."

AccessAbilities, Inc., an organization that assists individuals with developmental disabilities, is a great example of a company that has used SBA 504 loans to expand their operations more than once throughout its history.

Currently, the company has three locations across the state in Merrillville, Indianapolis and Bloomington.

Renee Ramon-Doughman, President and CEO of AccessAbilities, described how 504 loans aided the company in purchasing and renovating an apartment complex for people with and without disabilities.

"The loans gave us the ability to provide an affordable housing option," Ramon-Doughman said. "Oftentimes the only income a person with a developmental disability has is their Social Security funds. Safe, affordable housing is extremely important, but can be difficult to find in Lake County."

"We were able to purchase and completely renovate a bank-owned, 65,562 square-foot facility to house all of our programs and main office under one roof," she said. "We needed a place that would allow us to grow and leasing was not an affordable option. When we found a building that would allow us to expand, the

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504 loan was just what we needed to make the purchase a reality.”

Ramon-Doughman also described ways that the company grew as a result of this project, and was able to add additional staff.

“The 504 loan allowed us to do almost all the repairs that were needed to return this building back to its former luster,” she said. “Once those were completed, we were able to double in size just by moving our locations and combining them into one building. We expanded all of our Medicaid Waiver programs, added new programs and services, and hired at least 20 more staff persons all because of the loan for the building.”

“I would recommend a 504 loan to any agency considering expansion or growth,” Ramon-Doughman added. “If you need to expand your business, I would highly recommend considering a 504 loan first.”

SBA 504 loans exist to help any small operation achieve its major goals, even those in rural communities throughout the state. Take Declaration Dental, for example, an emerging dental practice that opened a new facility a few years ago in Monticello, IN, after using

504 loans. Dr. Mark Riese, DDS, of Declaration Dental, explained the impact 504s had on his dental practice.

“By working with the RDC, we were able to purchase more than expected,” Dr. Riese said. “Knowing that the interest rate was more reasonable than other options helped us obtain new equipment and grow our company.”

“We increased the size of our team at Declaration Dental due to our ability to build a larger facility than our previous one,” he said. “We were able to obtain more advanced equipment such as digital components, etc. Furthermore, we were also able to invest into other areas, such as signage, to a greater degree, sooner than expected.”

Dr. Riese added, “For health care professionals who are considering a 504 loan, I will say, the RDC staff truly has been excellent with helping us through the paperwork, and in giving detailed information on completion of such. The RDC staff has also been very supportive and responsive, even today.”

If you're the proprietor of a small business that's seeking to upgrade or expand your current facilities, reach out to the Regional Develop-

ment Company for expert advice on how 504 loans can help you achieve your business goals. The possibilities may just surprise you. ♦

Helping Small Medical Practices Grow

The RDC has helped secure funding for a wide array of small medical companies in Indiana over the years, including:

- Assisted living facility, Schererville -- \$18,300,00
- Facility for developmentally disabled, Merrillville -- \$2,185,000
- Veterinary clinic, Michigan City -- \$1,100,000
- Orthopedic surgery center, Portage -- \$3,600,000
- Chiropractic clinic, La Porte -- \$860,000
- Behavioral therapy center, Hobart -- \$1,165,000
- Podiatrist, La Porte -- \$475,000
- Optometrist office, Valparaiso -- \$3,600,000
- Pediatric Dentist, Dyer -- \$700,000
- Oncology equipment, Crown Point -- \$600,000
- Pharmaceutical distribution, Valparaiso -- \$3,500,000
- Formulary pharmacy, Hammond -- \$750,000

Source: RDC



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