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## Low rates boost small business growth

*By Jeff Ostrowski, Palm Beach Post Staff Writer*  
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PORT ST. LUCIE -- For entrepreneur Ron DeVries, record-low interest rates provided the perfect opportunity to expand his moving and storage business.

DeVries, owner of A1 Family Moving, last year paid \$1.4 million for a 40,000-square-foot storage facility in St. Lucie West. If it hadn't been for historically low rates on loans backed by the Small Business Administration, DeVries might not have been able to afford the building.

DeVries borrowed \$1.25 million at a rate just under 6 percent, translating to a monthly payment of about \$8,950, not including property taxes and insurance. At the 8 percent interest rate common a few years ago, the loan would have cost DeVries an additional \$1,500 a month.

"I don't know if it would have been a deal-breaker," DeVries says. "But \$1,500 a month in my pocket is obviously much nicer than \$1,500 going to the bank."

DeVries borrowed through the SBA's 504 loan program, which lets entrepreneurs buy commercial real estate at below-market rates and with only 10 percent down -- compared to the 20 percent or more typically required by banks.

The rate on SBA 504 loans recently hit a record low of 5.94 percent, which has spurred a borrowing boom, says Todd Kocourek, president of Florida First Capital Finance Corp., a Tallahassee-based SBA specialist that arranged DeVries' loan.

Kocourek's 16-person company has added 15 employees over the past four years and hopes to hire more.

The low interest rates have given some entrepreneurs an opportunity to refinance the credit card debt they used to build their businesses, Kocourek says.

Meanwhile, DeVries sees low interest rates driving his business in more ways than one. He says his moving and storage traffic has exploded as low interest rates have fueled St. Lucie County's residential building boom.

Cheaper mortgages means more people are buying homes -- and hiring DeVries to move or store their stuff.

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