



Owning vs Leasing

An SBA 504 Wealth Creation Strategy

Transforming an Event Venue into a High-Revenue Destination

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Why Venue Owners Are Moving From Leasing To Owning Their Buildings

THE OPPORTUNITY An established event venue with a strong reputation for weddings and private events was consistently booking at full capacity during peak seasons.

The owners identified an opportunity to significantly increase revenue by expanding the property to accommodate:

- larger weddings and receptions
- corporate events and conferences
- multi-event scheduling capabilities
- premium indoor and outdoor event spaces

However, the expansion required major capital investment in construction, land improvements, and facility upgrades.

Assumptions

- Total project cost: \$6,500,000
- Down payment: \$650,000 (10%)
- SBA 504 fixed rate loan: 6.5%
- 25-year amortization
- 6% annual property appreciation
- Operating income supports mortgage payments

Hypothetical Case Study	Own	Lease
Beginning property value	~\$6,500,000	NA
Ending property value (Year 10)	~\$11,640,000	NA
Total monthly cash outlay	~\$40,000	~\$60,000
Total paid over 10 years	~\$4.8M	~\$7,200,000
Loan balance after 10 years	~\$4,200,00	NA
Total equity at Year 10	\$7,440,000	\$0

The Result: A \$650,000 down payment could create over **\$7.4 million in projected equity**, while the owner maintains full control of the asset and benefits from growing demand in weddings, corporate events, and private functions.

By combining operational income growth, loan amortization, and real estate appreciation, event venue ownership can become a powerful long-term wealth-building strategy. This represents over **11x potential equity growth**, transforming expansion costs into lasting real estate value.

Why Access Private Capital for Event Venues?



Industry expertise



Nationwide lender



Speed –no lender in the SBA 504 industry moves faster



Ease of use –we're not a traditional bank and certainly don't act like one.

Are You Ready To Own Your Future?

Contact us today:



Phone: (770) 331-5204 | Email: mike.eddy@apclending.com

Website: <https://apclending.com/>

