



## **Rates Drop One-Quarter of a Point.**

### **February 2019 Newsletter**

SBA 504 **20**-year rates 3.388%, fixed.  
SBA 504 **25**-year rate 3.460%, fixed.  
SBA 504 **25**-year **REFI** rate 3.461%, fixed.  
SBA 504 10-year rates 3.791%, fixed.  
City Revolving Loan fund rate 7.25%, fixed.

Rate information: February rates decreased by 25 basis points. 20- and 25-year rates are all below 3.5%. We expect to see some increased pressure from regulators on our lenders to tighten up on credit in 2020 due to the fear that the real estate market may be over heating or banks having concentration issues in their loan portfolio; SBA 504 loans are still a good choice to get your deals to the finish line for your customers and keep your credit managers less grumpy. **Please keep in mind that Banks can refinance their own debt with the 504 Refinance program.**

Our Activity is picking up. We are at 9 approvals in 4 months. Central Valley Community Bank has the early lead with 5 approvals, followed by American Riviera Bank, United Security Bank, BBVA Compass and Bank of the Sierra with one approval each. THANK YOU to all our participating banks for your referrals.

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In Person at 5094 N. Fruit Ave., Suite 103, Fresno, CA

The SBA 504 Real Estate Program continues to be a great way to finance the acquisition and/or construction of commercial real estate for owner-users. 504 loans can be used to finance up to **90%** of the cost of your real estate project. **504 Loan can also be used for up to 85% for special use properties, such as cold storage facilities and surgery centers.**

**For additional information**

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