

May 2017 Newsletter

SBA 504 20- year rates 4.66%, fixed

SBA 504 20-year REFi rate 4.71% fixed

SBA 504 10-year rates 4.50%, fixed

City Revolving Loan fund rate 6.25%, fixed

Rates mixed in May

20 year Rates ticked up slightly by 4 basis points. The 20-year fixed rate is now 4.66%. The 10-year rate dropped 30 basis points at 4.50%. SBA 504 Rates have been below 5.0% for 34 months in a row. Even though rates were relatively flat in May, we should expect to see more modest rate increases in the near future.

We had 4 SBA approvals last month. Central Valley Community Bank had their first 3 approvals for the fiscal year and Fresno First Bank had one approval. We now have a three (3) way tie for first place with Fresno First Bank, Bank of the Sierra, Central Valley Bank each with 3 approvals this year. We should continue to see improvement in the coming months. Thank you to all of our participating banks for your referrals.

New information the 504 Program may be adding a 25 year debenture: We received word this week from NADCO that the SBA is proposing to a 25-year Debenture, some time in Fiscal year 2018. This would give us 10-year, 20-year and 25 year debenture terms. More details to follow later this year.

Real estate inventories continue to be low in all areas for commercial properties, especially for owner-users. The SBA 504 Real Estate Advantage continues to be a great way to finance the acquisition and/or construction commercial real estate for owner-users. 504 loans can be used to finance up to 90% of the cost of your real estate project.

For additional information about our loan programs please contact Cal Cain at (559) 227-1158