



CEN·CAL
Business Finance Group

July 2022 Newsletter

SBA 504 20-year rates 5.047%, fixed.

SBA 504 25-year rate 5.107%, fixed.

SBA 504 25-year REFI rate 5.120%, fixed.

SBA 504 10-year rates 4.962%, fixed.

City Revolving Loan fund rate 7.25%, fixed.

City Business Recovery Loan Fund Rate: Prime + 0% (4.75%).

Rate information: **Rates are down slightly this month, by 0.080 points.** We expect two or three more rate increases in 2022. The next Fed increase may be as much as 1.00%, due to the unexpectedly high inflation rate reported this week. The high inflation rate seems to be only a surprise to the DC politicians and the New York Media, the rest of us see it every day when we buy gas & groceries or pay accounts payables or worry about payroll. The Russia-Ukraine War continues to affect inflation, too. Materials and labor are expected to continue increase at double digit rates this year. We do expect Banks to be forced into increasing rates as the Fed raises rates. SBA's turnaround time for approvals has remained at 13 to 15 business days, and servicing action times have improved to 5 to 6 business days.

In June, we had 4 SBA approvals. Fresno First Bank, Citizens Business Bank, Mechanics Bank, and California Bank & Trust all had 1 approval. Year to date we have 24 SBA approvals; Tri Counties Bank leads with 9 Loan approvals, followed by Fresno First Bank with 5, Community West Bank with 3; Central Valley Community Bank, WestAmerica Bank and Mechanics Bank with 2 approvals each. Valley Republic Bank, Premier Valley Bank, Citizens Bank, California Bank & Trust and Chase Bank each have one loan approval. THANK YOU to all our participating banks for your referrals.

BUSINESS RECOVERY RLF MICRO LOANS. In June we funded our 14th micro loan, and we met our goal of funding \$830,000 in this program. We made loans in 6 out of the 7 council districts. This money is helping Fresno's small business community recover from the pandemic.

Thank you to the City of Fresno Economic Development Department for their help.

Please visit our website at <https://cencalfinance.com/>

On FACEBOOK at <https://www.facebook.com/cencalfinance/?ref=bookmarks>

Or on LinkedIn at <https://www.linkedin.com/company/cen-cal-business-finance-group>

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 to finance up to 85% of the cost of special use properties, such as cold storage facilities, urgent care, and surgery centers.

For Additional Information Contact: Cal Cain (559) 905-5636 or (559) 227-1158

Thank You Lupe Perez

Cen Cal Business Finance Group thanks Lupe Perez for her service as Director of Economic Development. Lupe was appointed to that position by Mayor Lee Brand and City Manager Wilma Quan in 2019 after 16 years at the City of Fresno Redevelopment Agency as Project Manager and served as the Downtown Revitalization Manager. Lupe has been a tireless advocate for downtown Fresno for many years.

Cen Cal Business Finance Group has had the privilege of working with Lupe on the City of Fresno Business Recovery and Revolving Loan programs. Lupe not only has great people skills and easy to work with but showed great efforts in helping us exceed our goals of implementing the City of Fresno Business Recovery Program. This program was set up during the height of the Pandemic in 2020 to help businesses affected by Covid-19. Through this program, we were able to help small businesses located in the City of Fresno with loans up to \$100,000 for inventory, working capital, equipment purchase, leasehold improvements, and personal protection equipment.

The Business Recovery Loan Program funded loans to 14 businesses for \$830,000. These loans will help the businesses get back on track after being hit by the pandemic.

This has been a challenging time for all of us and was made better by Lupe's support and leadership. Thank you for giving us the opportunity to work with you. We wish you continued success in your next position.



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