



CEN·CAL
Business Finance Group

November 2022 Newsletter

SBA 504 20-year rates 6.452%, fixed.

SBA 504 25-year rate 6.529%, fixed.

SBA 504 25-year REFI rate 6.547%, fixed.

SBA 504 10-year rates 6.534%, fixed.

City Revolving Loan fund rate 9.25%, fixed.

We had a small increase in rates for November

Rate information: *Rates increased a little more in November.* Rates increased 9 basis points (0.09%). We still expect more increases in the next few months, possibly as high as 8% in 2023. The Fed did increase rates this month, due to continued inflation concerns. Groceries, materials, and labor are expected to continue increase at double digit rates this year. We do expect Banks to be forced to continue to raise rates as the Fed raises rates. SBA's 504 volume continues to be high. We should expect that prime could reach 8% during this rate cycle.

The SBA's turnaround time for approvals has improved a lot to 4.5 business days, and servicing action times have improved to 4 business days.

Congratulations again to our top lender **Tri Counties Bank** and our runner-up Fresno First Bank with 6. In our first month of the new year had 2 SBA approvals: 1 one each for Premier Valley Bank and WestAmerica Bank. THANK YOU to all our participating banks for your referrals.

City of Fresno RLF MICRO LOANS. Both Our Legacy RLF fund and the Business Recovery RLF fund are completely advanced (No Availability). The total Legacy RLF fund is over \$750,000. Our Business Recovery RLF fund is \$830,000. We are meeting or exceeding all our goals for our 2 RLF funds. Cen Cal has been an "A Rated" EDA Micro Lender for the past 5 years.

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.

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