



November 2021
Issue 53

504 Program Helps Small Business With a 3rd Project

SBA 504 Effective Rates for November 2021

For New Loans Approved After October 1, 2021:

25-year - 2.92% / 2.93% Refi ~ 20-year - 2.77% / 2.78% Refi ~ 10-year - 2.79% / 2.81% Refi

For Loans Approved Before October 1, 2021:

25-year - 3.17% / 3.21% Refi ~ 20-year - 3.03% / 3.08% Refi ~ 10-year - 3.11% / 3.16% Refi

Thai Bamboo was opened in 2001 by Tom and Matavee “May” Burgess and has served more than a million Thai Entrees to the communities of Spokane and CDA.

Tom grew up in the Spokane area and has a passion for giving back to the community that he was raised in. May is the culinary master behind Thai Bamboo’s authentic dishes. She delights in the opportunity to share the dishes from her homeland.

In 2008, Tom and May utilized Northwest Business Development Association and the SBA 504 Loan Program to purchase a location and construct a restaurant building in Coeur d’Alene, ID. They returned to NWBDA and the 504 program in 2011 to buy a location in Spokane, WA, and build another restaurant to expand their business.

Tom and May returned to NWBDA and the 504 program in 2019 to finance the construction of another restaurant on the South Hill in Spokane, WA, in the neighborhood where Tom grew up. By utilizing the 504 program’s low fixed rates and the 25-year term, Tom and May are able to have control over the restaurant’s long-term ability to operate from this building and control their occupancy costs.

Despite the unique obstacles of the pandemic and COVID-19 restrictions, the South Hill construction project took a year to complete and it coincided with Thai Bamboo’s 20th Anniversary!

The new South Hill location is located at 2215 E. 29th Ave. Spokane, WA.
Visit their website at www.thaibamboorestaurant.com or call **509.232.8424.**

Thank you to our Lending Partner on this Project:



Serving Washington, Idaho, Oregon and Alaska

Increases to Approved 504 Projects

For 504 projects SBA approved 12/27/2020 through 9/30/2021: No increases allowed to either the Third Party Lender (TPL) portion or the SBA portion. These projects were approved with fee waivers on both the TPL loan and SBA loan and all authority for fee waivers was exhausted and expired on 9/30/2021 preventing any increases to these loan amounts. However, if you have a cost overrun on a project approved in this time period, NWBDA and SBA will consider the following options –

1. Borrower can fund any cost overruns with additional borrower contribution.
2. Borrower can obtain outside financing for any cost overruns (i.e., companion SBA loan, conventional loan, etc.)
3. Borrower can apply for a second 504 project for the amount of the cost overruns. The TPL loan will be in 3rd lien position and 504 portion will be in 4th lien position. Once NWBDA receives approval authorization for the second 504 project, NWBDA can request that SBA subordinate the original 504 loan from 2nd lien position to 3rd, allowing the TPL portion of the second 504 project to move up to 2nd lien position.
4. Borrower can cancel existing 504 loan and reapply for a new replacement 504 project with the increased project costs – borrower will lose all fee waivers and CARES Act payments authorized with the original 504 project approval.

For 504 projects SBA approved 9/28/2020 through 12/26/2020: No increase to the 504 loan amount allowed, but increases can be allocated to the TPL loan and borrower contribution. Options 1-4 (outlined above) are also available. The Federal Authority cap for the regular 504 loan program (purchases and 504 debt refi with expansion) was exhausted, and no funds remain for increases.

For 504 projects SBA approved prior to 9/28/2020: No increase to the 504 loan amount allowed, but increases can be allocated to the TPL loan and borrower contribution. Options 1-4 (outlined above) are also available. The 504 loans for these projects have been allocated CARES Act payments that will be received after the loan closes and funds, which prevent increases to the 504 loan.

October's Loan Fundings

NWBDA funded **8** new projects for the total amount of **\$15,453,174.48**

October's Loan Approvals

NWBDA approved **19** new projects for the total amount of **\$57,094,039.00**

In the month of October, NWBDA helped **create 65 new jobs** in the local communities

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