

# Newsletter

## Debt Refinance Program and ALP Express Highlights

### SBA 504 Effective Rates for July 2022

25-year - 5.11% / 5.12% Refi ~ 20-year - 5.05% / 5.07% Refi ~ 10-year - 4.97% / 4.99% Refi

### Debt Refinance Program

The SBA 504 Debt Refinance Program is a great way to utilize the benefits of the SBA 504 Loan Program! The program is able to refinance small business fixed asset debt, both with or without expansion.

The SBA may approve a refinancing project with an eligible qualified debt. Qualified debt means that a commercial loan has:

- Substantially all (85% or more) of the proceeds of the existing debt was used to acquire an \*Eligible Fixed Asset(s), and the remaining amount (15% or less) was incurred for the benefit of the small business seeking refinancing; or
- If the Eligible Fixed Asset(s) was originally financed through a commercial loan that was subsequently refinanced one or more times:
  - Substantially all (85% or more) of the proceeds of the original loan was used to acquire an Eligible Fixed Asset(s) and the remaining amount (15% or less) was incurred for the benefit of the small business seeking the refinancing; and
  - The existing debt is the most recent refinancing of the original loan.

*\*Eligible Fixed Assets are one or more long-term fixed assets, such as land, building, machinery, and equipment, acquired, constructed, or improved by a small business for use in its business operations.*

Reach out to one of our Business Development Officers to see if your loan can be refinanced!

### ALP Express Program Highlights

SBA has just released their new Pilot Program, the ALP Express. This program will allow NWBDA to

*Continued on page 2...*

...continued from page 1

have more approval control over loans with gross debentures \$500,000 and under, with much shorter turn around times. This includes the debt refinance loans as long as they are also under \$500,000.

Below are some of the eligibility requirements for the new program:

- Projects must be eligible for the regular SBA 504 Program financing
- Only projects where the SBA GROSS debenture is \$500,000 or less (estimated Net Debenture of \$484,000)
  - Requests for debenture increases may not exceed \$500,000;
- ALP Express submissions still require SBA eligibility determination, franchise review, environmental review, appraisal review, and historic property review.
- If the project involves an exception to policy, it cannot be submitted via ALP Express.
- Businesses that are the SBA High Default list cannot be submitted through the ALP Express Program. As of now, there are no businesses listed. We expect this list to be reviewed and released on an annual basis.

Reach out to one of our Business Development Officers to see if your loan can be an ALP Express Loan!

#### June's Loan Fundings

NWBDA funded **7** new projects for the total amount of **\$23,141,891**

#### June's Loan Approvals

NWBDA approved **4** new projects for the total amount of **\$25,006,500**

In the month of June, NWBDA helped **create 74 new jobs** in the local communities

#### Business Development Officers

##### Eastern WA/North ID

**Eric Sartell**

esartell@nwbusiness.org  
(509) 904-5169

##### Central Washington

**Lisa Vincent**

lvincent@nwbusiness.org  
(509) 469-5040

##### Western Washington

**Elizabeth Rusnak**

erusnak@nwbusiness.org  
(425) 286-6673

**Mark Beppler**

mbeppler@nwbusiness.org  
(425) 505-3263

##### Southwestern Washington

**Jim Bright**

jbright@nwbusiness.org  
(360) 521-5704

##### Greater Portland Metro Area/ North Oregon Coast

**Mike Miller**

mmiller@nwbusiness.org  
(503) 746-1805

##### Willamette Valley, Central, Eastern & Southern Oregon

**Evan Heriot**

eheriot@nwbusiness.org  
(541) 228-5015

Follow Us on Twitter  
and LinkedIn!



info@nwbusiness.org  
www.nwbusiness.org  
(509) 458-8555  
(800) 540-1748 (Toll Free)

Achieving BIG Dreams for SMALL Businesses