

# Newsletter

## SBA 504 Annual Fees for Fiscal Year 2024

### SBA 504 Effective Rates for October 2023

*For New Loans Approved After October 1, 2023:*

25-year - 7.12% / 7.15% Refi ~ 20-year - 7.18% / 7.21% Refi ~ 10-year - 7.05% / 7.07% Refi

*For Loans Approved Before October 1, 2023:*

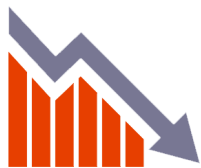
25-year - 7.22% / 7.24% Refi ~ 20-year - 7.28% / 7.30% Refi ~ 10-year - 7.07% / 7.10% Refi

### **Effective: October 1, 2023 - September 30, 2024**

SBA has released annual fees for 504 loans that will be approved in the fiscal year 2024. Annual fee changes contribute to the lower monthly rates.

On September 25, 2023, SBA provided fee information for 504 Loans approved during FY2024. These changes are applicable only to loans approved on or after October 1, 2023, and through September 30, 2024.

#### **For 504 loans (other than the Debt Refinance without expansion loans) approved during FY2024**



The upfront SBA guaranty fee for 504 borrowers will remain at 0.00% (00 basis points) in FY2024.

The annual service fee is reduced to 0.364% (36.4 basis points) of the outstanding balance of the loan. This is a decrease from 0.4405% (44.05 basis points) from FY2023.

This will *reduce* borrowers' effective interest rate over the life of the loan.

#### **For 504 Debt Refinance without Expansion loans approved during FY2024**



The upfront SBA guaranty fee for 504 borrowers will remain at 0.00% (00 basis points) in FY2024.

The annual service fee is reduced to 0.389% (38.9 basis points) of the outstanding balance of the loan. This is a decrease from 0.4559% (45.59 basis points) from FY2023.

This will also *reduce* borrowers' effective interest rate over the life of the loan.

*Serving Washington, Oregon, and Idaho*

# Thank you!

To Our Lending Partners,

Northwest Business Development Association (NWBDAs) marks 42 years of dedicated service to the Pacific Northwest since its inception in 1981. Over these decades, we have cherished every moment collaborating with our esteemed lending partners, enabling us to position ourselves as one of the leading Community Development Companies across Washington, Oregon, and Idaho.

As we conclude another fiscal year, we wish to express our deepest gratitude to each and every one of you for your steadfast support of NWBDAs. In the face of numerous challenges over the past 12 months, we achieved approvals for 59 loans totaling \$65.6MM and successfully funded 68 loans amounting to \$60.5MM. These accomplishments translate into the creation and preservation of 787 jobs within the communities we proudly serve.

In a world that still grapples with uncertainty, one thing remains certain—none of our achievements would have been possible without your invaluable contributions. Your partnership is the cornerstone of our success, and we cannot thank you enough. As we step into the new fiscal year, we eagerly anticipate yet another year of productivity, collaborating with our lending partners and borrowers in committed support of our Small Business Communities.

Once again, THANK YOU! Here's to another year of shared success!

## September's Loan Fundings

NWBDA funded **4** new projects for a total amount of **\$7,831,844**

## September's Loan Approvals

NWBDA approved **7** new projects for a total amount of **\$17,604,680**

In the month of September, NWBDAs helped **create 16 new jobs** in its local communities

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Achieving BIG Dreams for SMALL Businesses