

Newsletter

SBA 504 Updates: FY2026 Fees, Franchise Compliance & Manufacturing Focus

SBA 504 Effective Rates for September 2025

25-year - 6.00% / 6.03% Refi ~ 20-year - 6.02% / 6.05% Refi ~ 10-year - 5.77% / 5.80% Refi

FY2026 SBA 504 Fees

SBA has announced the fees for 504 Loans approved during FY2026, including the upfront guaranty fee and the annual service fee (also known as the “ongoing guaranty fee”).

SBA annually sets a combination of the upfront guaranty fee and the annual service fee (also known as the “ongoing guaranty fee”), to cover estimated subsidy costs of the 504 loan program.

The following fees are effective for 504 loans approved October 1, 2025, through September 30, 2026:

IMPORTANT: For 504 loans to manufacturers (NAICS sectors 31-33), including loans made under 504 Debt Refinance with **and** without Expansion, **the upfront guaranty fee and the annual service fee will be waived.**

For all 504 loans (other than 504 loans approved under the 504 Debt Refinance **Without** Expansion Program):

- The upfront guaranty fee will be 0.50% (50 basis points) - an increase from 0% (0 basis points) in FY2025
- The annual service fee will be 0.209% (20.9 basis points) of the outstanding balance of the loan - a decrease from 0.331% (33.1 basis points) in FY2025

For 504 Loans approved under the 504 Debt Refinance **Without** Expansion Program:

- The upfront guaranty fee will be 0.50% (50 basis points) - an increase from 0% (0 basis points) in FY2025
- The annual service fee will be 0.2115% (21.15 basis points) of the outstanding balance of the loan - a decrease from 0.356% (35.6 basis points) in FY2025

SBA Franchise Directory

SBA EXTENDS FRANCHISE DIRECTORY RE-CERTIFICATION DEADLINE

SBA has extended the deadline for franchise brands listed on the SBA Franchise Directory to complete their re-certification. The new deadline is **December 31, 2025**. Until re-certification is completed, lenders must continue using the required addendum listed on the Directory and ensure it is executed by both the franchisor/distributor and the franchisee before disbursement.

Brands that do not complete the certification by year-end will be removed from the Directory.

More information about this announcement is available [here](#). Visit the Franchise Directory [here](#).

Serving Washington, Oregon, and Idaho

“Made In America” Initiative

WHAT LENDERS SHOULD KNOW: SBA’S *MADE IN AMERICA* MANUFACTURING INITIATIVE

Earlier this year, the U.S. Small Business Administration (SBA) launched the *Made in America Manufacturing Initiative* — a national strategy to strengthen domestic manufacturing by supporting the small businesses at its core. For lending partners, this initiative opens the door to expanded opportunities, particularly through the SBA 504 Loan Program.

A key focus of the initiative is expanding access to 504 financing. SBA aims to reduce barriers to the program, lenders can expect increased interest from small manufacturers seeking to invest in long-term assets such as real estate, equipment, and facility expansion.

The SBA has also established a new Office of Manufacturing and Trade, which is actively working with small manufacturers through local SBA field offices. Most recently, the SBA has waived both the upfront guaranty fee and the annual service fee for manufacturers, as outlined on page one.

This added infrastructure is expected to generate more engagement with the 504 program as manufacturers seek capital to modernize operations and grow domestically.

If you're working with manufacturing clients exploring expansion or capital investment, now is a great time to revisit the benefits of SBA 504 financing!

Contact an NWBDA Business Development Officer today to discuss how we can help support manufacturing small businesses under the *Made in America* initiative through the SBA 504 Program.

August’s Loan Fundings

NWBDA funded **4** new projects for a total amount of **\$26,945,761**

August's Loan Approvals

NWBDA approved **5** new projects for a total amount of **\$30,959,957**

In the month of August, NWBDA helped **create 47 new jobs** in its local communities

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