



SBA Announces a New 25-Year Loan Debenture

Along with the 10 and 20 year 504 loans, the SBA is making available a new 504 Loan with a 25-year maturity.

This new 25-year 504 Debenture will be made available for 504 Projects that are approved on or after April 2, 2018.

Advantages for the Borrower:

Lower monthly loan payments and increased cash flow.

Pricing Details:

The first 25-year debenture sale will be July 2018.

Pricing for the initial 25-yr debentures will have a spread no wider than 35 bps. For example, the 20-year debenture rate in March was 4.995%; the 25-year rate would be no higher than 5.345%. *

*The 25-year rate pricing will be based upon supply and market sentiment. Underwriters will determine pricing more accurately once demand is established.