

# SBA Information Notice



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**TO:** All SBA Employees

**CONTROL NO.:** 5000-1111

**SUBJECT:** Recovery Act – Revised 504 Forms

**EFFECTIVE:** 6-25-2009

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SBA has made changes to the following documents to make them consistent with the American Recovery and Reinvestment Act of 2009 (Public Law 111-05), including the new debt refinancing authority provided under that statute, and with current policy requirements. New versions of the forms have been published and must be used for all future 504 Loan applications and closings, until further notice.

## **SBA Form 1244 - Application for Section 504 Loan**

- Added a new check box to indicate if the application is submitted under the Abridged Submission Method (ASM) (Part A)
- Added an exhibit for submission of copies of debt and lien instruments, and transcripts of account or equivalent for any debts being refinanced (Exhibit 24)
- Incorporated the new job creation and retention requirements (increased from \$50,000 to \$65,000) (Part B, Block VI, A, 5. and 6.)
- Incorporated energy public policy goals (Part B, Block VI, C)
- Added debt refinancing as a use of Project proceeds (Part B, Block VII, D)
- Revised the line items for the SBA Guarantee Fee (currently zero) and CDC Processing Fee line items to allow percentages to be entered. (Part B, Blocks VIII, B.1. and 3)
- Added a block to identify whether this is a Recovery Act Loan

## **SBA Form 1506 - Servicing Agent Agreement**

- Added “debt refinancing” to Use of Proceeds [Paragraph 2, a(6)]
- Removed set fee percentage to allow manual input [Paragraph 6, c.(2)(a)]
- Eliminated the language requiring the \$1,000 deposit (Paragraph 10)
- Added a block to identify whether this is a Recovery Act Loan

## **SBA Form 2101 - CDC Certification**

- Added required certification on any debt being refinanced with 504 Project proceeds (Paragraph 20)

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**EXPIRES:**

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SBA Form 1353.3 (4-93) MS Word Edition; previous editions obsolete  
Must be accompanied by SBA Form 58

## **SBA Form 2234 Part B - Supplemental Information for PCLP Processing**

- Added Net Debenture, Borrower Contribution and Closing Costs amounts.
- Added Use of Proceeds section
- Added a block to identify whether this is a Recovery Act Loan

## **SBA Form 2234 Part C - Eligibility Information Required for PCLP Submission**

- Changed Project Financing and Costs to include debt refinancing (Section V)
- Amended Use of Proceeds to include debt refinancing and the eligibility criteria (Section VII)
- Incorporated the new job creation and retention requirements (Section VII)
- Incorporated. regulatory limitations on PCLP authority to approve debt refinance (Section VIII)
- Included prohibition on the use of Recovery Act proceeds for casinos or other gambling establishments, golf courses, aquariums, zoos or swimming pools (Section VIII)
- Added a block to identify whether this is a Recovery Act Loan

A separate notice will be issued outlining changes to the Wizard for the “Authorization for Debenture Guaranty.”

Questions regarding this notice should be directed to the lender relations specialist in the local SBA field office.

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Grady B. Hedgespeth  
Director  
Office of Financial Assistance

Expires: 6-01-2010

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**EXPIRES: 2/1/2010**

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