



SBA Information Notice

TO: All Employees

CONTROL NO.: 5000-1135

SUBJECT: 2nd Quarter "Peg" Rate and
Maximum 504 Third Party Interest
Rate

EFFECTIVE: 12-22-2009

The interest rate on Section 7(a) Direct Business Loans is 3 3/4 percent (3.750%) for the fiscal quarter beginning January 1, 2010. (Information only – no direct funds available at this time.)

The optional peg rate for fluctuating interest rates on guaranty loans is 3 3/4 percent (3.750%) for the January - March quarter of FY 2010.

Pursuant to 13 CFR 120.921(b), the maximum legal interest rate for any third party lender's commercial loan which funds any portion of the cost of a 504 project (see 13 CFR 120.801) shall be 6% over the New York Prime rate or, if that exceeds the maximum interest rate permitted by the constitution or laws of a given State, the maximum interest rate will be the rate permitted by the constitution or laws of the given State.

Grady B. Hedgespeth
Director
Office of Financial Assistance

EXPIRES: 12-01-2010

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