



SBA Information Notice

TO: All Employees

CONTROL NO.: 5000-1148

SUBJECT: 3rd Quarter "Peg" Rate, Direct
Interest Rate, and Maximum Interest
Rate of a Third Party Lender Loan
for a 504 Project

EFFECTIVE: 4-01-2010

The interest rate on Section 7(a) Direct Business Loans is 5 percent (5%) for the fiscal quarter beginning April 1, 2010. (Information only – no direct funds available at this time.)

The optional peg rate for fluctuating interest rates on guaranty loans is 4 percent (4%) for the April - June 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: 4/01/2011

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Must be accompanied by SBA Form 58