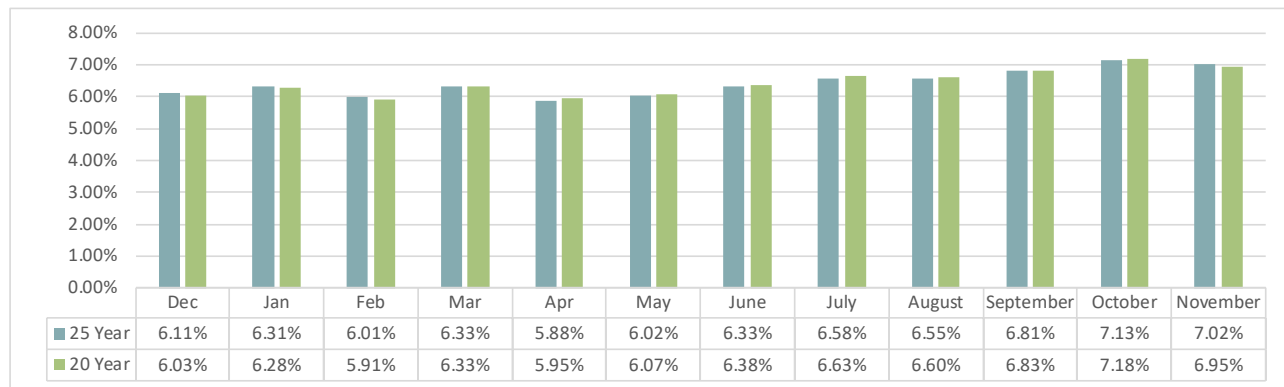


November 2023

	25 Year	20 Year	10 Year
Purchase Loans*:	7.02%	6.95%	6.78%
Refinance Loans*:	7.05%	6.98%	6.81%



Evergreen Business Capital is the Northwest's leading SBA 504 loan program expert. With over 43 years in the industry, we are the only company in the Northwest to have earned SBA's Premier Certified Lender Status, and we are consistently the highest volume 504 lender in the region.

The 504 Program

- Financing for long term fixed assets
- The SBA-guaranteed loan is in a second lien position behind a traditional lending institution
- As a supplement to traditional financing, borrower may finance up to 90% of the asset cost/value

Loan Terms

- **Amount:** No max on first lien loan or project size. SBA maximum is either \$5 million or \$5.5 million, depending on the type of project
- **Term:** Fully amortized with a 10, 20, or 25-year term, depending on collateral
- **Rate:** Fixed rate for the term of the loan
- **Collateral:** Typically only the fixed assets being financed

Equipment Purchase or Refinance

- Up to 90% of cost for new equipment, no appraisal required
- Appraisal required for used assets
- Equipment must have a useful life of 10+ years
- Cars, trucks, and airplanes are ineligible

Commercial Real Estate Purchase or Refinance

- Owner-occupied properties (51%+ of existing building, 60%+ for new construction)

Benefits to Businesses

- Lower down payment than traditional financing
- Fully fixed rate and full amortization (no balloons)

Benefits to Participating Lenders

- Lower loan-to-value; usually 50% in first-lien position
- Evergreen works with the SBA on all application and servicing requirements

EVERGREEN BUSINESS CAPITAL

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Evergreen Business Capital is an equal opportunity lender

See next page for information on new SBA rules

*Estimated based on pricing published by NADCO on November 9, 2023. Rates are for loans approved on or after October 1, 2023; loans approved prior to this date may differ. The 20 and 25-year loans fund every month, and the 10-year loans fund every other month. Effective interest rates are inclusive of servicing fees. For additional information, contact us at 800.878.6613.

SBA 504 Refinance Updates

Effective November 13, 2023

The SBA has revised SOP 50-10-7 to include changes to the 504 debt refinancing programs that aim to streamline and simplify the process, effective November 13, 2023.

Below is a summary of some of the key revisions.

- For 504 refinance without expansion, changed definition of “qualified debt” substantially all to 75% or more for eligibility of the project
- 10% substantial benefit calculation must include the 7(a) subsidy recoupment fees, prepayment penalties, financing fees, and other financing costs
- Removed requirement for written verification that present 504 lender is unwilling or unable to modify existing 504 debt. For 7(a) or other government loan programs, CDC to notify the existing CDC or 7(a) lender in writing by letter or email no less than 10 business days of loan application submission to SBA

504 Debt Refinancing with Expansion

- The amount of existing debt that may be refinanced with expansion has increased from no more than 50% to no more than 100% of expansion costs.

More Updates on 504 Refinance to come.