



SBA Information Notice

TO: All Employees

CONTROL NO.: 5000-17056

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

EFFECTIVE: April 2, 2018

The interest rate on Section 7(a) Direct Business Loans is 3 7/8 percent (3.875%) for the fiscal quarter beginning April 1, 2018. (Information only – no direct funds available at this time.)

The optional peg rate for fluctuating interest rates on guaranty loans is 2 5/8 percent (2.625%) for the April - June quarter of FY 2018.

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.

Dianna L. Seaborn
Director
Office of Financial Assistance

EXPIRES: 04/01/2019

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