



# SBA Information Notice

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**TO:** All SBA Employees and Certified Development Companies

**CONTROL NO.:** 5000-861002

**EFFECTIVE:** October 23, 2024

**SUBJECT:** Updates to SBA Form 1244, Application for 504 Loans

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The purpose of this Notice is to announce the issuance of a new version of SBA [Form 1244](#), “Application for 504 Loans” to meet the requirements of the updated SOP 50 10 7.1 and the Criminal Justice Final Rule published April 30, 2024 ([89 FR 34094](#)).

The new SBA Form 1244 is effective immediately; however, SBA will allow a 30-day grace period for Certified Development Companies (CDC) to begin using the revised form. Until then, CDC may use the previous version of the form. After the grace period ends SBA will no longer accept the previous version.

## Summary of Changes

The revision of SBA Form 1244, “Application for 504 Loans” includes the following changes:

- The Applicant must identify all Beneficial Owners of at least 20% of the Applicant and at least 51% of the total Beneficial Owners of the Applicant. “Beneficial Owners” is defined in [SOP 50 10 7.1](#) as “A Person who owns a concern directly or indirectly through another entity. “Person” is defined in [13 CFR 120.10](#) as “any individual, corporation, partnership, association, unit of government, or legal entity, however organized.” This means that Applicants must identify, and Lenders must list in E-Tran, direct and indirect owners of the Applicant, whether a natural person or corporation, partnership, etc., to account for all owners (direct or indirect) as required.
- The Form has been restructured into two parts:
  - SBA 504 Borrower Information Form.
  - SBA 504 CDC Information Form.
- Formerly Section Three (Statements Required by Law and Executive Order and Certifications) is merged into SBA 504 Borrower Information Form under “Applicant Certification”.

- Questions regarding prior criminal history of an Applicant or an Associate of the Applicant have been revised to comply with the recently revised regulatory requirements ([13 CFR 120.110](#)) regarding the eligibility of an Applicant or any Associate of the Applicant who is currently incarcerated, serving a sentence of imprisonment imposed upon adjudication of guilty, or who is under indictment for a felony or any crime involving or relating to financial misconduct or a false statement (page 2, question number 4).
- SBA added questions related to payments of fees by the Applicant, types of ineligible businesses, and businesses owned by an SBA employee and/or its household member, by a Federal Employee, or by a Small Business Advisory Council or SCORE volunteer.
- SBA added an additional row for “Other Secured Debt to be Refinanced” in project funding sources and uses (page 9, within question number 8).

## Questions

Questions concerning this Notice may be directed to the Lender Relations Specialist in the local [SBA Field Office](#).

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Acting Director  
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