



# SBA Information Notice

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**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

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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.

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Grady B. Hedgespeth  
Director  
Office of Financial Assistance

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**EXPIRES:** 4/01/2011

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