



SBA Information Notice

TO: All SBA Employees

CONTROL NO.: 5000-848210

SUBJECT: 4th Quarter "Peg" Rate, Direct Interest Rate and Maximum Interest Rate of a Third Party Lender Loan for a 504 Project

EFFECTIVE: June 30, 2023

The interest rate on Section 7(a) Direct Business Loans is 4.88 percent (4.88%) for the fiscal quarter beginning July 1, 2023. (Information only – no direct funds available at this time.) The optional peg rate for fluctuating interest rates on guaranty loans is 3.75 percent (3.75%) for the July – September quarter of FY 2023.

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