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Business Lending News

SBA LENDERS: NEW SBA 7 (a) & 504 FEES EFFECTIVE 10/1/16

Quick reminder: Concurrent with SBA's new fiscal year effective next month, [SBA Information Notice 5000-1389](#) dated September 16, 2016, announces the 7(a) and 504 loan fee schedule for Fiscal Year 2017. For details, please read the entire Information Notice.

In brief, for all 7(a) loans approved October 1, 2016 thru September 30, 2017, (except certain loans to veterans) upfront guaranty fees will stay at their current level. For 7 (a) loans regardless of size, the annual service fee will increase to 0.546% (54.6 basis points) of the guaranteed portion of the outstanding balance of the loan. SBA reminds you to manually adjust these fees in the current Authorization Wizard.

For all 504 loans, the upfront guaranty fee will stay at zero, and the annual service fee will be reduced to 0.697% (69.7 basis points) of the outstanding balance of the loan. SBA adds that loans will be available under the Debt Refinancing Program operated under 13 CFR § 120.882(g) during FY17, as the 504 Loan Program and the Debt Refinancing Program will be operating at zero subsidy in Fiscal Year 2017.

Your SBA field office may have already notified you about these fees. Questions? SBA requests that you address your questions to the lender relations specialist at your local SBA field office.

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