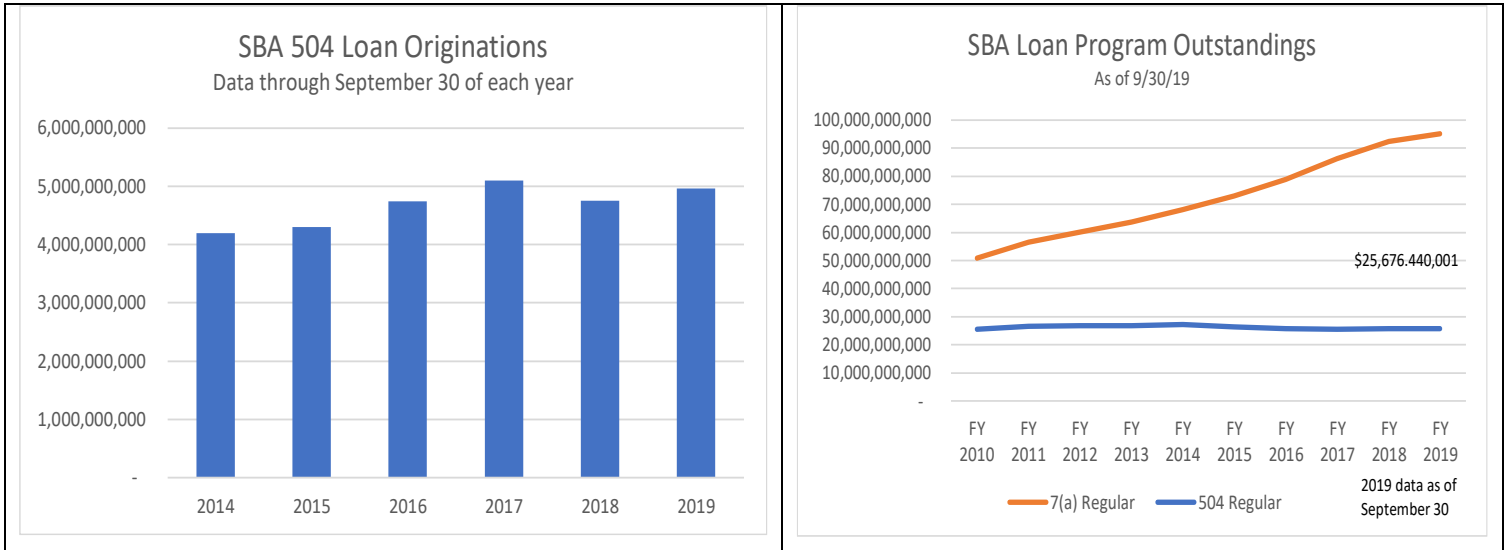
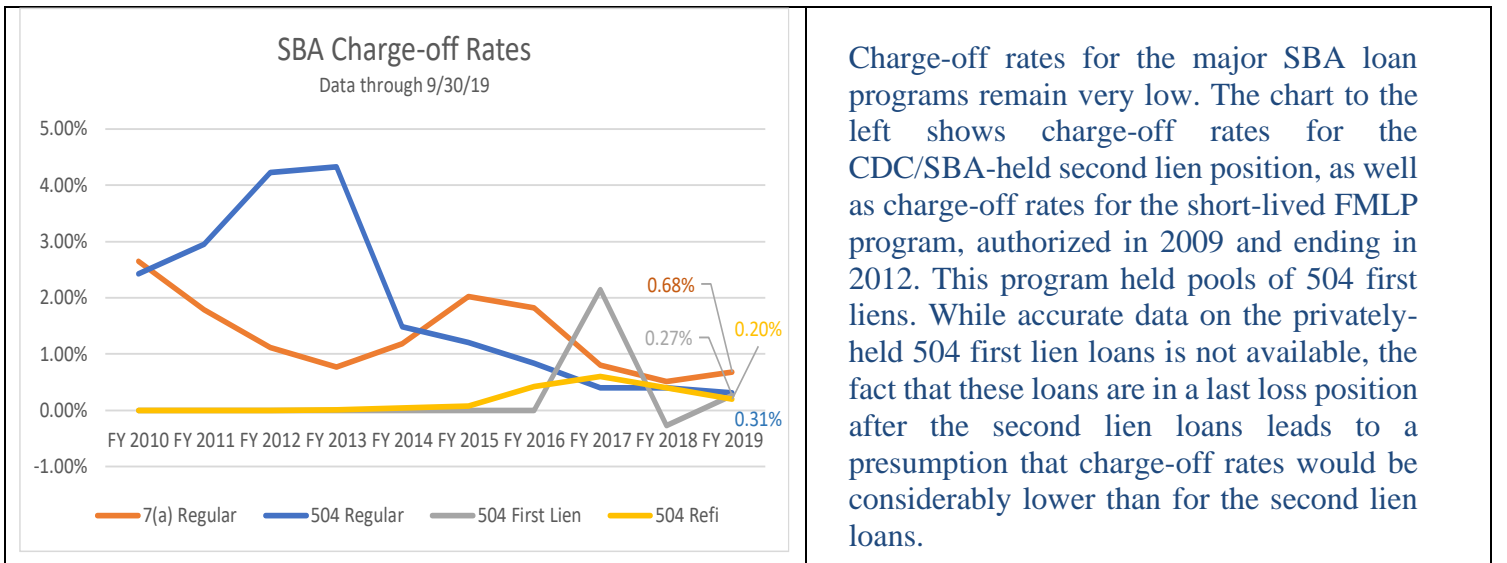


Through November 1, 2019, which is one month into the new fiscal year (2020) for the program, SBA 504 loan originations were up a whopping 35.5% compared to the prior year, reaching \$656.4 million year-to-date in FY2020 versus \$484.4 million during the same period in FY2019. The unpaid principal balance of outstanding 504 loans stood at \$25.77 billion as of September 30, 2019, down 0.2% compared to the \$25.83 billion figure at year-end FY2018. In contrast, SBA 7(a) loan originations are down 1.1% year-to-date (through November 1) to \$1.82 billion and the unpaid principal balance of 7(a) loans is \$95.10 billion at September 30, 2019, up 2.9% compared to year-end FY2018.



While 7(a) loans continue to grow at solid pace (2.9% in FY2019 and 7.2% in FY2018), 504 loans have remained in a fairly tight range between \$25 billion and \$27 billion over the last nine years. Of course, the chart above includes only the CDC/SBA second lien portion of a 504 loan package, which typically amounts to roughly 40% of the financing. The first lien loan, usually supplied by a bank or other private sector lender, typically provides another 50% of the project funding.



News Blurb of the Week – Growing Pains: Examining Small Business Access to Affordable Credit in Low-Income Areas, Claire Kramer Mills, Jessica Battisto, and Scott Lieberman, Federal Reserve Bank of New York Outreach & Education Function

November 4, 2019 – Since the end of the last recession, low-income neighborhoods have experienced larger declines in the number of banks and larger increases in the number of alternative financial services companies compared to higher-income areas.

<https://www.federalreserve.gov/publications/files/consumer-community-context-201911.pdf>

Top SBA 504 Lenders				
	2018		2019 September YTD	
CDCs	CDC Small Business Finance Corporation		Mortgage Capital Development Corporation	
2nd Liens	Mortgage Capital Development Corporation		CDC Small Business Finance Corporation	
	Empire State Certified Development Corporation		Florida First Capital Finance Corporation, Inc.	
	Florida First Capital Finance Corporation, Inc.		Empire State Certified Development Corporation	
	Florida Business Development Corporation		Business Finance Capital	
	Mountain West Small Business Finance		Florida Business Development Corporation	
	Business Finance Capital		California Statewide Certified Development Corporation	
	California Statewide Certified Development Corporation		Mountain West Small Business Finance	
	Small Business Growth Corporation		WBD, Inc.	
	WBD, Inc.		Small Business Growth Corporation	
Banks	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION		JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	
1st Liens	WELLS FARGO BANK, NATIONAL ASSOCIATION		WELLS FARGO BANK, NATIONAL ASSOCIATION	
	BANK OF THE WEST		ZIONS BANK, A DIVISION OF	
	ZIONS BANK, A DIVISION OF		BANK OF THE WEST	
	BANK OF AMERICA, NATIONAL ASSOCIATION		BANK OF AMERICA, NATIONAL ASSOCIATION	
	ONEWEST BANK, A DIVISION OF		ONEWEST BANK, A DIVISION OF	
	CITY NATIONAL BANK		CITY NATIONAL BANK	
	TD BANK, NATIONAL ASSOCIATION		TD BANK, NATIONAL ASSOCIATION	
	POPPY BANK		POPPY BANK	
	FIRST BANK FINANCIAL CENTRE		REGIONS BANK	
Top States for SBA 504 Loan Approvals				
	2018		2019 September YTD	
CA		1,212,374,000	CA	1,207,147,000
FL		365,590,000	FL	411,734,000
TX		262,785,000	TX	254,856,000
IL		201,568,000	IL	207,440,000
NY		200,233,000	MN	190,845,000
UT		180,573,000	UT	183,048,000
MA		175,067,000	NY	160,472,000
MN		167,541,000	MA	155,831,000
CO		152,943,000	GA	149,781,000
GA		131,926,000	WA	147,113,000
Source: SBA				

About Us

Bluestone Capital Partners LLC is an SEC-registered investment adviser that provides investment management services to the Bluestone Community Development Fund (BLUCX) and is responsible for the management of the Fund’s portfolio of investments.

Full Yields & Rates Table

Asset Yields	Current	1-month ago	1 month change	3-months ago	1-year ago	3-years ago
1m US T-Bill (BEY)	1.56%	1.69%	-0.13%	2.09%	2.21%	0.28%
3m US T-Bill (BEY)	1.55%	1.72%	-0.17%	2.02%	2.35%	0.43%
6m US T-Bill (BEY)	1.58%	1.69%	-0.11%	1.96%	2.52%	0.56%
1y US T-Bill	1.58%	1.62%	-0.04%	1.79%	2.74%	0.71%
2y US T-Note	1.68%	1.42%	0.26%	1.62%	2.98%	0.87%
3y US T-Note	1.70%	1.38%	0.32%	1.54%	3.05%	1.04%
5y US T-Note	1.74%	1.36%	0.38%	1.54%	3.09%	1.34%
10y US T-Note	1.94%	1.54%	0.40%	1.72%	3.24%	1.88%
20y US T-Bond	2.27%	1.84%	0.43%	2.02%	3.36%	2.29%
30y US T-Bond	2.43%	2.04%	0.39%	2.25%	3.43%	2.63%
Federal Funds	1.54%	1.80%	-0.26%	2.10%	2.20%	0.40%
Prime Rate	4.75%	5.00%	-0.25%	5.25%	5.25%	3.50%
Swap Rates						
2 Year LIBOR Swap	1.71%	1.47%	0.24%	1.61%	3.15%	0.96%
5 Year LIBOR Swap	1.71%	1.36%	0.35%	1.48%	3.21%	1.18%
10 Year LIBOR Swap	1.84%	1.45%	0.39%	1.60%	3.28%	1.58%
SBA 504 2nd Lien Loan Rates						
10 Yr	3.85%	3.55%	0.30%	3.92%		
20 Yr	3.68%	3.40%	0.28%	3.53%	5.25%	4.35%
25 Yr	3.74%	3.48%	0.26%	3.63%	5.32%	
Depository Rates						
1 Mon. CD - Non Jumbo	0.11%	0.11%	0.00%	0.12%	0.11%	0.06%
3 Mon. CD - Non Jumbo	0.20%	0.20%	0.00%	0.21%	0.19%	0.08%
6 Mon. CD - Non Jumbo	0.35%	0.36%	-0.01%	0.40%	0.30%	0.13%
1 Yr CD - Non Jumbo	0.51%	0.52%	-0.01%	0.57%	0.49%	0.22%
2 Yr CD - Non Jumbo	0.66%	0.67%	-0.01%	0.76%	0.69%	0.36%
3 Yr CD - Non Jumbo	0.78%	0.80%	-0.02%	0.88%	0.84%	0.49%
1 Mon. CD - Jumbo	0.14%	0.14%	0.00%	0.15%	0.13%	0.07%
3 Mon. CD - Jumbo	0.23%	0.23%	0.00%	0.24%	0.21%	0.09%
6 Mon. CD - Jumbo	0.40%	0.41%	-0.01%	0.45%	0.34%	0.14%
1 Yr CD - Jumbo	0.57%	0.59%	-0.02%	0.64%	0.55%	0.23%
2 Yr CD - Jumbo	0.71%	0.73%	-0.02%	0.81%	0.76%	0.39%
3 Yr CD - Jumbo	0.83%	0.85%	-0.02%	0.93%	0.91%	0.52%
Savings	0.09%	0.09%	0.00%	0.09%	0.09%	0.06%
Checking	0.06%	0.06%	0.00%	0.06%	0.06%	0.04%
Money Market - Non Jumbo	0.16%	0.17%	-0.01%	0.18%	0.15%	0.08%
Money Market - Jumbo	0.27%	0.27%	0.00%	0.29%	0.24%	0.11%
Regulatory Rates						
Secured Overnight Financing Rate (SOFR)	1.56%	1.83%	-0.27%	2.10%	2.18%	
Broad General Collateral Rate (BGCR)	1.53%	1.80%	-0.27%	2.09%	2.16%	
Tri-Party General Collateral Rate (TGCR)	1.53%	1.80%	-0.27%	2.09%	2.16%	
FHLB Fixed Advances (30 day, < \$15m)	1.77%	1.97%	-0.20%	2.28%	2.48%	0.62%

About Us

Bluestone Capital Partners LLC is an SEC-registered investment adviser that provides investment management services to the Bluestone Community Development Fund (BLUCX) and is responsible for the management of the Fund's portfolio of investments.