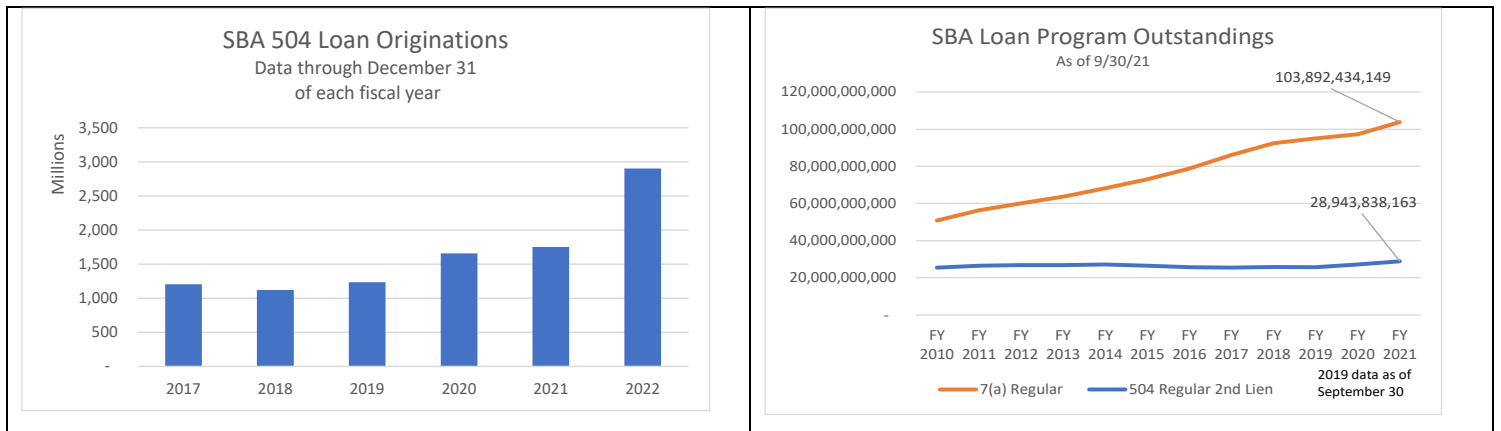
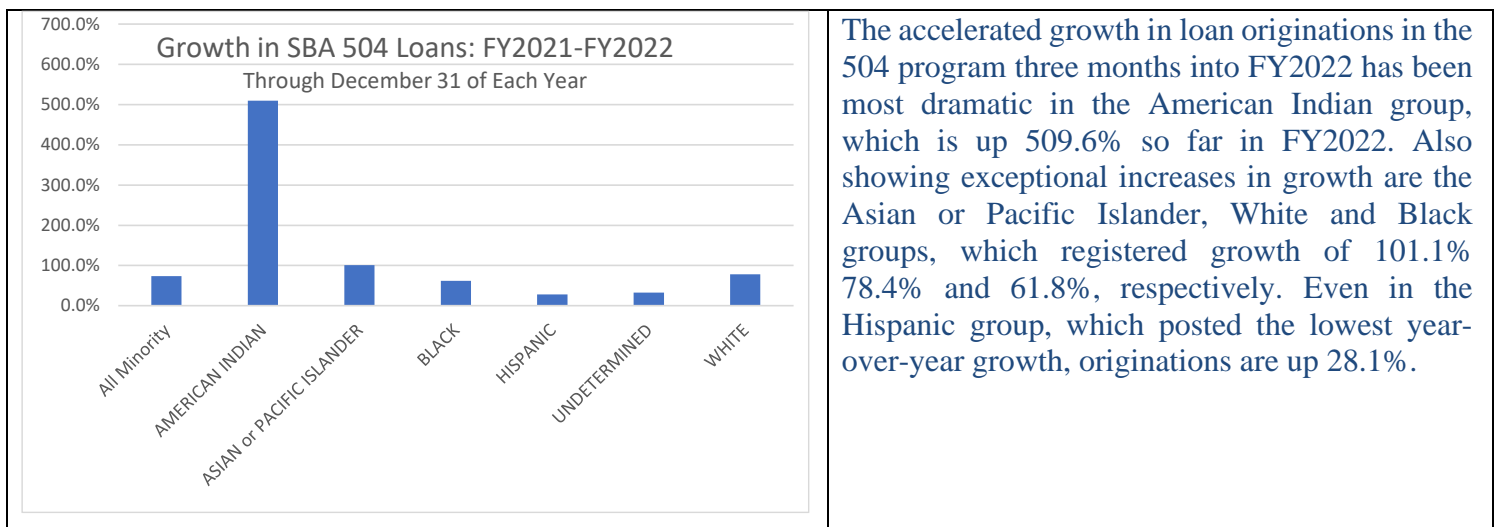


SBA 504 loan originations slowed a bit in December from the blistering pace set in the first two months of fiscal year 2022. Fifteen weeks into the new fiscal year (started October 1<sup>st</sup>), 504 loan originations are up 65.6% compared to the same period a year ago. This is not due to COVID slowdowns in the prior year. Originations this year are up 75.2% compared to the same period two years ago, which was pre-COVID. Originations were up 93.2% from the prior year one month ago, so while slowing, this is still exceptional growth. Unpaid Principal Balance of SBA 504 loans stood at \$28.94 billion as of September 30, 2021, up 6.4% compared to the \$27.20 billion figure at year-end FY2020. SBA 7(a) loan originations started the year more slowly, exhibiting an 11.3% decline compared to the same period the previous year, not much changed from a month ago, when originations were down 11.1% compared to the same period in FY2021. The unpaid principal balance of 7(a) loans is \$103.89 billion at September 30, 2021, up 6.8% compared to year-end FY2020.



The 7(a) program has shown steady growth in loan outstandings in recent years that continued through the end of FY2021 (6.8% in FY2021, 2.3% in FY2020, and 2.9% in FY2019). 504 loans have shown accelerating growth, rising 6.4% to \$28.9 billion at year-end FY2021, after climbing 5.5% in FY2020 and (0.2%) in FY2019. Of course, the published 504 loan figures in the chart above include only the CDC/SBA second lien portion of a 504 loan package, If we include the private lender portion of the same loan projects, which typically accounts for 50% of 504 projects, The total for SBA 504 loan outstandings (1<sup>st</sup> and 2<sup>nd</sup> liens combined) would be somewhere in the neighborhood of \$65 billion, still below 7(a) totals, but much closer.



The accelerated growth in loan originations in the 504 program three months into FY2022 has been most dramatic in the American Indian group, which is up 509.6% so far in FY2022. Also showing exceptional increases in growth are the Asian or Pacific Islander, White and Black groups, which registered growth of 101.1% 78.4% and 61.8%, respectively. Even in the Hispanic group, which posted the lowest year-over-year growth, originations are up 28.1%.

## News Blurb(s) of the Month – Findings from Analysis of Nationwide Summary Statistics for 2020 Community Reinvestment Act Data Fact Sheet, FFIEC

**December 21, 2021** – This analysis is based on 2020 data compiled by the three Federal banking agency members of the Federal Financial Institutions Examination Council (FFIEC) with Community Reinvestment Act (CRA) responsibilities.

[https://www.ffiec.gov/hmcrpr/cra\\_fs21.htm](https://www.ffiec.gov/hmcrpr/cra_fs21.htm)

Top SBA 504 Lenders				
	FY2020 (Through Sep. 30, 2020)	Volume (\$Millions)	FY2021 (Through Sep. 30, 2021)	Volume (\$Millions)
<b>CDCs</b>	Florida First Capital Finance	\$346.9	Mortgage Capital Development C	\$449.8
2nd Liens	Mortgage Capital Development C	\$307.2	CDC Small Business Finance Cor	\$440.6
	Business Finance Capital	\$300.0	Business Finance Capital	\$428.6
	CDC Small Business Finance Cor	\$292.8	Florida First Capital Finance	\$378.5
	Florida Business Development C	\$261.1	Empire State Certified Develop	\$363.9
	Empire State Certified Develop	\$250.4	Florida Business Development C	\$306.6
	WBD, Inc.	\$198.7	WBD, Inc.	\$272.9
	California Statewide Certified	\$189.0	California Statewide Certified	\$268.3
	Mountain West Small Business F	\$171.8	Mountain West Small Business F	\$265.1
	Small Business Growth Corporat	\$126.9	Small Business Growth Corporat	\$247.1
	<b>Total</b>	<b>\$5,892.5</b>	<b>Total</b>	<b>\$8,253.5</b>
<b>Banks/</b>	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	\$318.5	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	\$417.2
<b>TPLs</b>	WELLS FARGO BANK, NATIONAL ASSOCIATION	\$188.1	WELLS FARGO BANK, NATIONAL ASSOCIATION	\$231.6
1st liens	BANK OF THE WEST	\$183.6	CITY NATIONAL BANK	\$202.9
	ONEWEST BANK, A DIVISION OF	\$156.1	BANK OF AMERICA, NATIONAL ASSOCIATION	\$193.7
	CITY NATIONAL BANK	\$141.3	ONEWEST BANK, A DIVISION OF	\$159.7
	TD BANK, NATIONAL ASSOCIATION	\$134.9	ZIONS BANK, A DIVISION OF	\$152.6
	ZIONS BANK, A DIVISION OF	\$124.9	BANK FIVE NINE	\$136.7
	BANK OF AMERICA, NATIONAL ASSOCIATION	\$116.2	TD BANK, NATIONAL ASSOCIATION	\$126.7
	TRUIST BANK D/B/A BRANCH BANKING & TRUST CO	\$80.1	BANK OF THE WEST	\$117.9
	BANK FIVE NINE	\$74.2	TRUIST BANK D/B/A BRANCH BANKING & TRUST CO	\$111.0
	<b>Total</b>	<b>\$7,758.8</b>	<b>Total</b>	<b>\$10,707.1</b>

Top States for SBA 504 Loan Approvals				
	FY2020 (Through Sep. 30, 2020)		FY2021 (Through Sep. 30, 2021)	
CA	\$1,412,469,000	CA	\$1,939,743,000	
FL	\$568,638,000	FL	\$663,074,000	
TX	\$348,280,000	TX	\$408,640,000	
IL	\$230,313,000	IL	\$349,330,000	
WI	\$209,143,000	NY	\$331,258,000	
UT	\$207,133,000	UT	\$314,459,000	
NY	\$186,654,000	WI	\$300,183,000	
MN	\$168,897,000	MN	\$281,739,000	
MA	\$162,319,000	CO	\$239,295,000	
WA	\$156,494,000	GA	\$210,556,000	
Source: SBA			SBA Fiscal Years end on September 30	

### About Us

Equalize Capital 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**

<b>Asset Yields</b>	<b>Current</b>	<b>1-month ago</b>	<b>1 month change</b>	<b>3-months ago</b>	<b>1-year ago</b>	<b>3-years ago</b>
1m US T-Bill (BEY)	0.05%	0.03%	0.02%	0.02%	0.08%	2.42%
3m US T-Bill (BEY)	0.13%	0.06%	0.07%	0.05%	0.08%	2.43%
6m US T-Bill (BEY)	0.28%	0.13%	0.15%	0.07%	0.09%	2.51%
1y US T-Bill	0.46%	0.27%	0.19%	0.09%	0.10%	2.59%
2y US T-Note	0.92%	0.67%	0.25%	0.32%	0.14%	2.56%
3y US T-Note	1.21%	0.98%	0.23%	0.59%	0.24%	2.54%
5y US T-Note	1.53%	1.25%	0.28%	1.05%	0.49%	2.56%
10y US T-Note	1.78%	1.48%	0.30%	1.61%	1.13%	2.74%
20y US T-Bond	2.15%	1.91%	0.24%	2.11%	1.67%	2.92%
30y US T-Bond	2.11%	1.88%	0.23%	2.16%	1.87%	3.06%
Federal Funds	0.08%	0.08%	0.00%	0.08%	0.09%	NA
Fed Discount Rate	0.25%	0.25%	0.00%	0.25%	#VALUE!	3.00%
Prime Rate	3.25%	3.25%	0.00%	3.25%	3.25%	5.50%
TED Spread	0.11%	0.14%	-0.03%	0.07%	0.14%	NA
<b>Swap Rates</b>						
2 Year Swap	1.08%	0.90%	0.17%	0.41%	0.22%	2.67%
5 Year Swap	1.61%	1.36%	0.26%	1.10%	0.52%	2.58%
10 Year Swap	1.86%	1.54%	0.33%	1.58%	1.08%	2.70%
<b>SBA 504 2nd Lien Loan Rates</b>						
10 Yr	3.07%	2.79%	0.28%	2.37%	2.44%	4.65%
20 Yr	3.07%	2.88%	0.19%	2.77%	2.65%	4.75%
25 Yr	3.21%	3.02%	0.19%	2.91%	2.69%	4.88%
<b>Average Prime Rate Offer (APOR) Rates</b>						
10 Yr Fixed	2.79%	2.74%	0.05%	2.33%	2.24%	4.05%
10 Yr Variable	2.91%	2.85%	0.06%	3.00%	3.17%	4.64%
<b>Depository Rates</b>						
1 Mon. CD - Non Jumbo	0.03%	0.02%	0.01%	0.03%	0.05%	0.11%
3 Mon. CD - Non Jumbo	0.06%	0.05%	0.01%	0.06%	0.07%	0.19%
6 Mon. CD - Non Jumbo	0.09%	0.09%	0.00%	0.09%	0.11%	0.34%
1 Yr CD - Non Jumbo	0.13%	0.14%	-0.01%	0.14%	0.16%	0.60%
2 Yr CD - Non Jumbo	0.17%	0.17%	0.00%	0.17%	0.21%	0.80%
3 Yr CD - Non Jumbo	0.21%	0.19%	0.02%	0.21%	0.25%	0.95%
Savings	0.06%	0.06%	0.00%	0.06%	0.05%	0.09%
Checking	0.03%	0.03%	0.00%	0.03%	0.04%	0.06%
Money Market - Non Jumbo	0.07%	0.06%	0.01%	0.08%	0.07%	0.16%
<b>Regulatory &amp; Interbank Rates</b>						
Secured Overnight Financing Rate (SOFR)	0.05%	0.05%	0.00%	0.05%	0.10%	2.45%
FHLB Fixed Advances (30 day, < \$15m)	0.33%	0.32%	0.01%	0.32%	0.36%	2.64%

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