

**FOR
IMMEDIATE
RELEASE**



25 Year 504 Debenture is now Available!

Today SBA released a notice stating that a debenture with a 25 year maturity is now available, in addition to the existing 10 and 20 year debentures for the SBA 504 Loan Program.

The new 25 year debenture will be made available for 504 projects that are approved on or after April 2, 2018. The term of a 504 debenture for any project approved prior to April 2, 2018 may not be extended to 25 years.

This longer term offering will decrease monthly payments for the small business borrower and will provide more flexibility for the borrower to more easily manage their capital.

The term of the Third Party Loan accompanying a 25 year 504 loan must be at least 10 years, and amortization does not need to match the SBA's. The 25 year debentures are expected to fund monthly, as the 20 year debentures do, depending on demand. Pricing for the 25 year debenture will be determined at the time of funding. This allows the CDC industry to offer long-term financing that more closely resembles other long term mortgages.

Call your [MCDC Loan Officer](#) today!

With five offices throughout Michigan, [MCDC's](#) experienced staff will work with you through every step of your SBA Loan. MCDC is a non-profit corporation authorized by the U.S. Small Business Administration to provide SBA [504 Loan Financing](#) and [7\(a\) Lender Services](#). For more than 35 years MCDC has been a leader in SBA financing in Michigan, participating in projects generating 26,000+ jobs and more than \$2.5 Billion of investment. For more information, please feel free to call us at 833-504-LOAN or 833-7ALOANS or visit us at www.michigancdc.org.

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