



209 E. William, Suite 300
Wichita, Kansas 67202

SCKEDD Messenger

November/December 2007, Issue 11



Happy Holidays!

Wishing you a joyous Holiday Season and a New Year full of 504s and 7(a)s.

Left to Right: Jane Johnson, Messenger editor; Julie Baker, Development Coordinator; Bill Bolin, Executive Director of SCKEDD; Sandy Ring, 504/IRP Program Manager; Rick Rawlings, 7 (a)/ RLF Program Manager; and Marge Sherraden, 504/IRP Closing Officer.

Check out those 504 Debenture Rates!

Have you noticed how favorable the effective interest rates are for the 504 Debentures? They are great! So far this calendar year—Equipment purchases funded through a 10-year debenture ranged between 6.296-6.84% and Real Estate purchases/improvements funded through a 20-year debenture ranged between 6.199-6.789%. Not bad for a long term fixed rate! On the back side of this *Messenger* is a chart of interest rates for the last two years. You will note that historically the rates are lower in the winter months. Although, it is important to note that the spread throughout this year was not significant. Coupling the low 504 interest rates with the recently lowered bank interest rates is a win-win situation for a client's cash flow. And, of course, by partnering with SCKEDD on a 504 project the bank has a strong 1st lien position on the fixed assets being financed.



Would you like to see a small business topic or lending topic covered in upcoming issues? Contact Sandy Ring at (316) 262-7035 or e-mail her @ sandy@sckedd.org.

TOPIC for Next Issue:
Eligible 504 Soft Costs

Training Classes Available

On December 10, 11 & 12, Shelley Basham will be conducting a training course on QuickBooks Pro 2007. This class will cover Beginning, Intermediate and Advanced instruction. In addition there will be one-on-one consultation with participants after class. The other course will be a presentation on Financial Management, discussing several key issues in Managing Your Business.

The classes will be held at the following location: Derby City Hall, 611 Mulberry Road, Derby, Kansas 67037. Please contact Shelley Basham at SCKEDD for more information.

Monthly Rate Corner

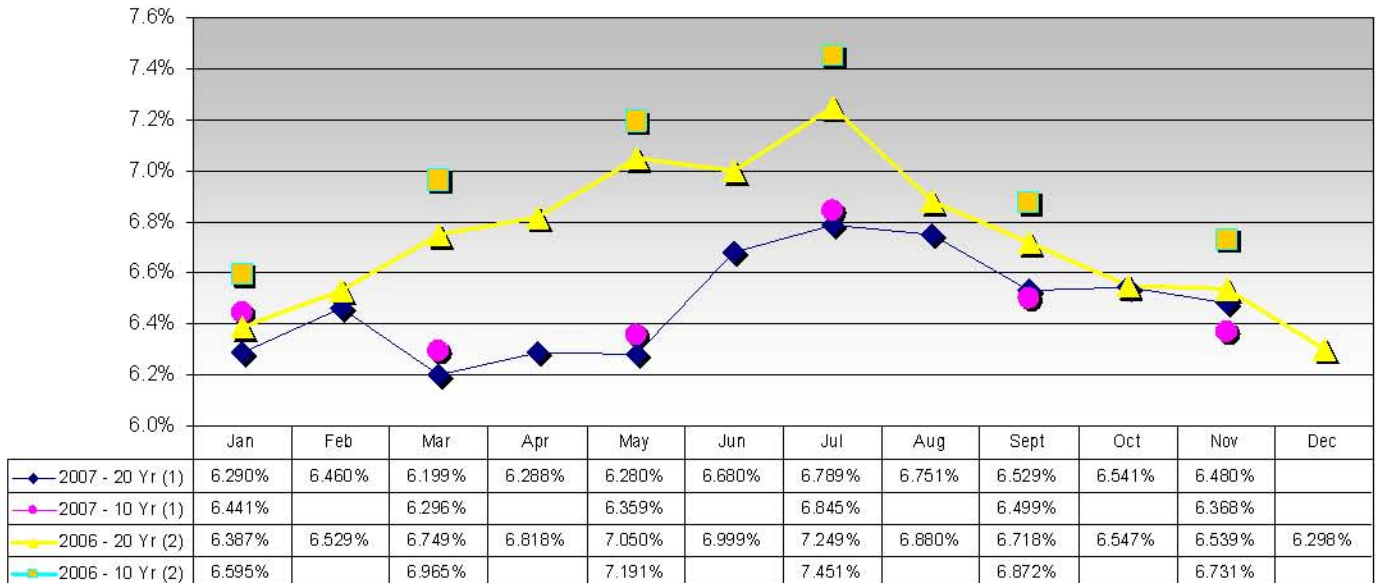
504 Rates based on the Nov. 2007 Debenture Sale

	"Note Rate"	"Effective Rate" (includes fees)
10-Year	5.298%	6.368%
20-Year	5.587%	6.480%



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History of SBA 504 "Effective" Interest Rates



Please Note: "Effective" Interest Rate includes ALL fees

(1) Subsidy fee of .018; As of 10-1-07, subsidy fee became .0211

(2) Subsidy fee of .192

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