



# SBA Information Notice

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**TO:** All SBA Employees and Certified  
Development Companies

**CONTROL NO.:** 5000-836380

**SUBJECT:** 504 Fees Effective During Fiscal Year  
2023

**EFFECTIVE:** August 15, 2022

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Each year SBA reviews certain fees payable to SBA by 504 borrowers to determine if any of those fees need to be adjusted to cover the estimated subsidy costs of the 504 loan program.<sup>1</sup>

This Notice announces the FY2023 annual service fee (also known as the “on-going guaranty fee”) and upfront guaranty fee for 504 loans. A separate notice is being issued for the 7(a) loan program.

**For all 504 loans, the following fees are effective for loans approved October 1, 2022, through September 30, 2023:**

For 504 loans (other than loans made under the 504 Debt Refinance without Expansion Program) approved in FY2023:

- 1) The upfront guaranty fee will be 0% (0 basis points).
- 2) The annual service fee will be 0.4405% (44.05 basis points) of the outstanding balance of the loan.

For 504 loans approved in FY2023 under the 504 Debt Refinance without Expansion Program:<sup>2</sup>

- 1) The upfront guaranty fee will be 0% (0 basis points).
- 2) The annual service fee will be 0.4405% plus 0.0154%, for a total of 0.4559% (44.05 basis points plus 1.54 basis points for a total of 45.59 basis points) of the outstanding balance of the loan.

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<sup>1</sup> Fees are effective for the entire fiscal year to maintain the estimated costs of the program unless subsequent Congressional acts modify the program’s effective subsidy costs.

<sup>2</sup> While Section 328(a)(1) of the Economic Aid to Hard Hit Small Businesses, Nonprofits, and Venues Act (P.L. 116-260) repealed the requirement that the 504 Program be at zero subsidy for 504 Debt Refinance without Expansion Program to be available, this repeal did not remove the subsidy fees for the 504 Debt Refinance without Expansion Program.

**Questions:**

Questions concerning this Notice may be directed to the Lender Relations Specialist in the [local SBA Field Office](#).

Dianna L. Seaborn  
Director  
Office of Financial Assistance