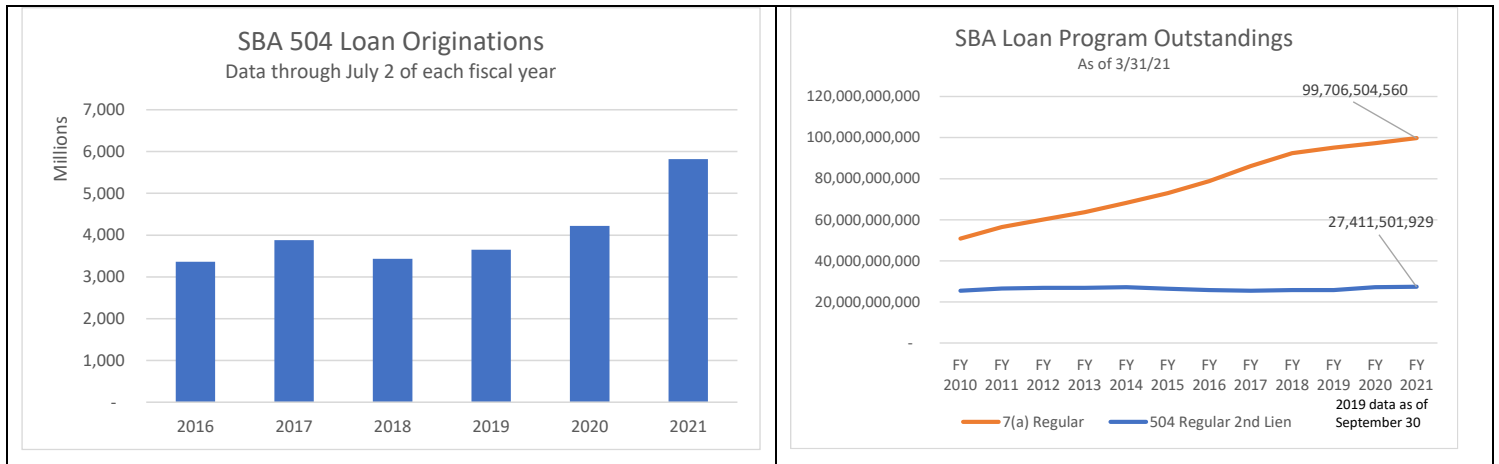
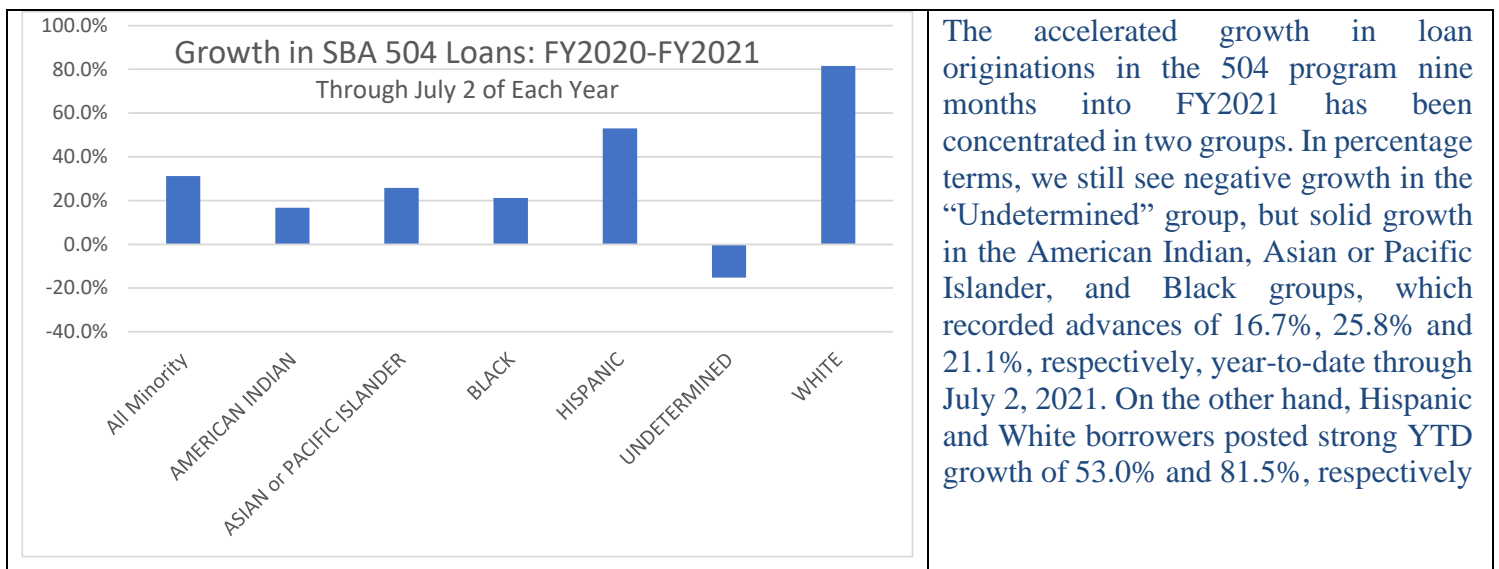


Originations of SBA 504 loans accelerated again during the past month. Through July 2, 2021, SBA 504 loan originations are up 37.8% compared to the prior year, reaching \$5.82 billion year-to-date in FY2021 versus \$4.22 billion during the same period in FY2020. Last month, originations were up 32.0% compared to the prior year. Unpaid Principal Balance of SBA 504 loan figures have finally been updated. They stood at \$27.41 billion as of March 31, 2021, up 0.8% compared to the \$27.20 billion figure at year-end FY2020. SBA 7(a) loan originations also accelerated during the past month. They are now up 31.3% through July 2, 2021 (they were up 22.6% through June 11, 2021) compared to the same period in FY2020 and the unpaid principal balance of 7(a) loans is \$99.71 billion at March 31, 2021, up 2.5% compared to year-end FY2020.



The 7(a) program has shown steady growth in loan outstandings in recent year that continued through the end of FY2020 (2.3% in FY2020, 2.9% in FY2019 and 7.2% in FY2018). However, 504 loans broke out of the tight range between \$25 billion and \$27 billion it has occupied over the last nine years, growing 5.5% to \$27.2 billion at year-end FY2020. Of course, the published 504 loan figures in 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 financing typically accounts for another 50% of 504 projects, meaning the actual program totals would be more than double the figures shown in the graph above.



The accelerated growth in loan originations in the 504 program nine months into FY2021 has been concentrated in two groups. In percentage terms, we still see negative growth in the “Undetermined” group, but solid growth in the American Indian, Asian or Pacific Islander, and Black groups, which recorded advances of 16.7%, 25.8% and 21.1%, respectively, year-to-date through July 2, 2021. On the other hand, Hispanic and White borrowers posted strong YTD growth of 53.0% and 81.5%, respectively

News Blurb of the Month – Federal regulators will require 2 banks to increase lending to the minority community in Southern Dallas. Jason Trahan, David Schechter, and Chance Horner, WFAA Investigates

June 29, 2021 – Federal regulators are requiring that two banks seeking to build branches in the Park Cities and Turtle Creek areas must also develop plans to equitably lend to low- and moderate-income borrowers in predominately minority parts of Southern Dallas.

<https://www.wfaa.com/article/news/local/investigates/federal-regulators-will-require-2-banks-to-increase-lending-to-the-minority-community-in-southern-dallas/287-a5d66add-cd62-4d3d-85ec-5803dfe1e507>

Top SBA 504 Lenders

	FY2020	Volume (\$Millions)	FY2021 (Through Mar.31, 2021)	Volume (\$Millions)
CDCs	Florida First Capital Finance Corporation, Inc.	\$345.9	CDC Small Business Finance Corporation	\$200.4
2nd Liens	Mortgage Capital Development Corporation	\$307.1	Mortgage Capital Development Corporation	\$183.1
	Business Finance Capital	\$299.3	Business Finance Capital	\$179.0
	CDC Small Business Finance Corporation	\$292.7	Florida First Capital Finance Corporation, Inc.	\$175.3
	Florida Business Development Corporation	\$258.9	Empire State Certified Development Corporation	\$163.6
	Empire State Certified Development Corporation	\$250.3	Florida Business Development Corporation	\$140.9
	WBD, Inc.	\$198.3	Mountain West Small Business Finance	\$131.0
	California Statewide Certified Development Corpora	\$189.0	California Statewide Certified Development Corpora	\$122.5
	Mountain West Small Business Finance	\$171.2	WBD, Inc.	\$105.2
	Small Business Growth Corporation	\$125.8	Small Business Growth Corporation	\$102.1
	Total	\$5,872.8	Total	\$3,609.4
Banks/	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	318.5	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	\$170.9
TPLs	WELLS FARGO BANK, NATIONAL ASSOCIATION	188.1	WELLS FARGO BANK, NATIONAL ASSOCIATION	\$127.7
1st liens	BANK OF THE WEST	183.6	BANK OF AMERICA, NATIONAL ASSOCIATION	\$91.4
	ONEWEST BANK, A DIVISION OF	156.1	ONEWEST BANK, A DIVISION OF	\$89.1
	CITY NATIONAL BANK	141.3	BANK OF THE WEST	\$77.4
	TD BANK, NATIONAL ASSOCIATION	134.9	CITY NATIONAL BANK	\$67.1
	ZIONS BANK, A DIVISION OF	124.9	TD BANK, NATIONAL ASSOCIATION	\$64.7
	BANK OF AMERICA, NATIONAL ASSOCIATION	116.2	ZIONS BANK, A DIVISION OF	\$61.3
	TRUIST BANK D/B/A BRANCH BANKING & TRUST CO	80.1	BANK FIVE NINE	\$58.2
	BANK FIVE NINE	74.2	TRUIST BANK D/B/A BRANCH BANKING & TRUST CO	\$53.7
	Total	\$7,758.6	Total	\$4,704.0

Top States for SBA 504 Loan Approvals

	FY2020		FY2021 (Through Mar. 31, 2021)
CA	\$1,411,527,000	CA	877,202,000
FL	\$565,925,000	FL	319,604,000
TX	\$346,256,000	TX	189,248,000
IL	\$228,221,000	UT	153,730,000
WI	\$208,947,000	NY	152,821,000
UT	\$206,583,000	IL	139,519,000
NY	\$186,596,000	WI	117,400,000
MN	\$168,373,000	CO	110,651,000
MA	\$162,142,000	MN	108,513,000
NJ	\$155,876,000	MA	103,313,000
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

Asset Yields	Current	1-month ago	1 month change	3-months ago	1-year ago	3-years ago
1m US T-Bill (BEY)	0.06%	0.01%	0.05%	0.02%	0.11%	1.87%
3m US T-Bill (BEY)	0.06%	0.03%	0.03%	0.02%	0.13%	1.98%
6m US T-Bill (BEY)	0.05%	0.04%	0.01%	0.03%	0.16%	2.15%
1y US T-Bill	0.08%	0.05%	0.03%	0.06%	0.15%	2.34%
2y US T-Note	0.23%	0.16%	0.07%	0.16%	0.16%	2.57%
3y US T-Note	0.41%	0.31%	0.10%	0.35%	0.18%	2.66%
5y US T-Note	0.79%	0.75%	0.04%	0.87%	0.28%	2.75%
10y US T-Note	1.37%	1.50%	-0.13%	1.67%	0.62%	2.86%
20y US T-Bond	1.91%	2.10%	-0.19%	2.23%	1.09%	2.90%
30y US T-Bond	1.99%	2.17%	-0.18%	2.34%	1.32%	2.96%
Federal Funds	0.10%	0.06%	0.04%	0.07%	0.09%	1.91%
Fed Discount Rate	0.25%	0.25%	0.00%	0.25%	0.25%	2.50%
Prime Rate	3.25%	3.25%	0.00%	3.25%	3.25%	5.00%
TED Spread	0.07%	0.09%	-0.03%	0.17%	NA	0.35%
Swap Rates						
2 Year LIBOR Swap	0.31%	0.24%	0.07%	0.31%	0.23%	2.78%
5 Year LIBOR Swap	0.87%	0.83%	0.04%	1.02%	0.33%	2.85%
10 Year LIBOR Swap	1.34%	1.48%	-0.14%	1.72%	0.62%	2.87%
SBA 504 2nd Lien Loan Rates						
10 Yr	2.59%	2.61%	-0.02%	2.68%	2.39%	5.29%
20 Yr	2.69%	2.76%	-0.07%	3.02%	2.34%	5.25%
25 Yr	2.81%	2.88%	-0.07%	3.07%	2.41%	5.32%
Average Prime Rate Offer (APOR) Rates						
10 Yr Fixed	3.11%	3.35%	-0.24%	2.45%	2.62%	4.05%
10 Yr Variable	2.99%	3.12%	-0.13%	3.32%	3.22%	4.35%
Depository Rates						
1 Mon. CD - Non Jumbo	0.03%	0.03%	0.00%	0.04%	0.06%	0.09%
3 Mon. CD - Non Jumbo	0.07%	0.06%	0.01%	0.06%	0.10%	0.14%
6 Mon. CD - Non Jumbo	0.09%	0.09%	0.00%	0.09%	0.17%	0.23%
1 Yr CD - Non Jumbo	0.14%	0.14%	0.00%	0.14%	0.25%	0.40%
2 Yr CD - Non Jumbo	0.17%	0.18%	-0.01%	0.19%	0.33%	0.58%
3 Yr CD - Non Jumbo	0.20%	0.21%	-0.01%	0.22%	0.39%	0.74%
Savings						
Savings	0.06%	0.06%	0.00%	0.04%	0.06%	0.07%
Checking						
Checking	0.03%	0.03%	0.00%	0.03%	0.04%	0.05%
Money Market - Non Jumbo						
Money Market - Non Jumbo	0.09%	0.10%	-0.01%	0.06%	0.09%	0.12%
Regulatory & Interbank Rates						
Secured Overnight Financing Rate (SOFR)	0.05%	0.01%	0.04%	0.01%	0.10%	1.93%
FHLB Fixed Advances (30 day, < \$15m)	0.31%	0.27%	0.04%	0.28%	0.44%	2.14%

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