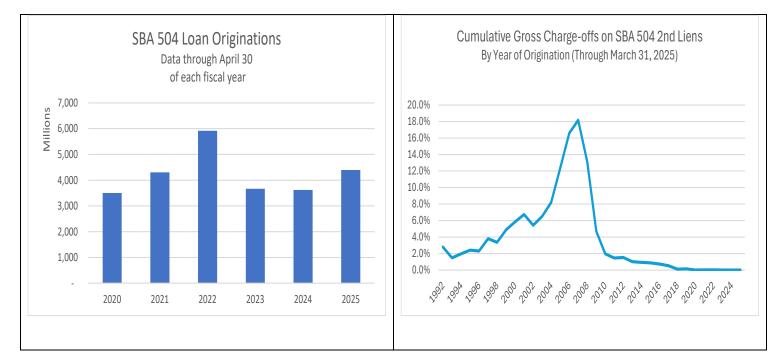
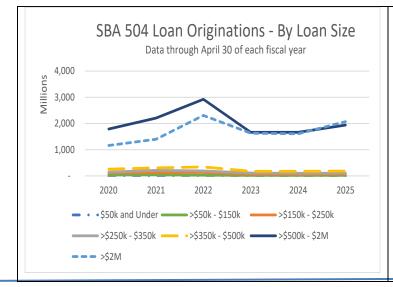


SBA 504 loan originations are up 21.3% as of April 30, 2025 compared to the prior fiscal year. This represents a slight acceleration compared to the 21.0% rise posted as of March 31, 2025. Year-to-date approval volumes are at the highest level in the last five years, with the exception of the pandemic year of FY2022. Originations in the SBA's other major loan program, SBA 7(a) loans, slowed modestly to a 35.3% increase compared to the prior fiscal year, up from the 41.6% jump in originations recorded through March 31, 2025.



Cumulative gross charge-offs for the SBA 504 program have traditionally been very low, as seen in the graph above right. There was a spike in the lead up and immediate aftermath of the 2007-2008 financial crisis, but charge-offs quickly fell back as the financial crisis wound down. From a peak of 18.2% in 2007, gross charge-offs fell to 2.0% in 2010, and 0.9% in 2014. Since that year, gross charge-offs have remained below 1.0%, and have not exceeded 0.1% since 2017.



Overall, the number of SBA 504 loans originated year-todate through April 30, 2025 was up 21.3% compared to the same period in FY2024. Driving this growth were loans in the higher size range, specifically loans between \$500k and \$2m, which grew 16.9% from the prior year and accounted for 44.2% of loans originated YTD, and loan over \$2m, which grew 29.0% and accounted for 47.1% of loans originated. Loans from \$150k-\$250k also grew substantially, rising 18.9% from the prior year, , but loans in this range only accounted for 1.6% of all loan originations.

The information presented herein is not an offer, or the solicitation of an offer, to buy or sell any of the products described herein. Any terms or conditions contained herein are indicative and are provided for discussion purposes only. This is intended as an outline only and does not purport to list or summarize all of the terms and conditions of a particular transaction, nor to identify or define all of the risks that would be associated with the purchase or sale of the products described herein. All information contained herein is qualified in its entirety by the information that would be contained in the final documentation for any transaction. The information contained herein should not be construed as investment advice or a recommendation to purchase any of the referenced securities described herein.

News Blurb(s) of the Month — Rise of Nonbank Lenders Undermines Community Reinvestment Act Effectiveness. UCLA Anderson Review, Carla Fried, with Jacelly Cespedes, Erica Xuewei Jiang, Carlos Parra, and Jinyuan Zhang

April 16, 2025 – A working paper suggests that the emergence of nonbank lenders is throwing a wrench into the CRA's intended goal of increasing access to credit in less advantaged areas. After the 2008 financial crisis, nonbank lenders expanded rapidly, capturing nearly two-thirds of all new mortgage originations in 2022 — up from less than 40% before the financial crisis. A key driver of this growth is their exemption from many federal financial regulations that traditional banks must adhere to — including the CRA.

https://anderson-review.ucla.edu/rise-of-nonbank-lenders-undermines-community-reinvestment-act-effectiveness/

| Top SBA 504 Lenders | | | | | | | | | |
|---------------------|---|---|---|------------------------|--|--|--|--|--|
| | FY2024 (Through Sep. 30, 2024) | Volume FY2024 (Through Sep. 30, 2024) (\$Millions) FY2025 (Through Mar. 31, 2025) | | Volume (\$Millions) | | | | | |
| CDCs | Mortgage Capital Development C | \$644.6 | Mortgage Capital Development C | \$366.3 | | | | | |
| 2nd Liens | Florida Business Development C | \$443.8 | Florida First Capital Finance | \$234.6 | | | | | |
| | Florida First Capital Finance | \$387.3 | Florida Business Development C | \$228.1 | | | | | |
| | Business Finance Capital | \$361.4 | Business Finance Capital | \$195.2 | | | | | |
| | California Statewide Certified | \$290.7 | Mountain West Small Business F | \$157.4 | | | | | |
| | Empire State Certified Develop | \$264.6 | California Statewide Certified | \$152.3 | | | | | |
| | Mountain West Small Business F | \$225.5 | Empire State Certified Develop | \$130.5 | | | | | |
| | Capital Certified Development | \$218.1 | Capital Certified Development | \$96.5 | | | | | |
| | Small Business Growth Corporat | \$193.7 | WBD, Inc. | \$85.5 | | | | | |
| | WBD, Inc. | \$179.3 | Small Business Growth Corporat | \$82.1 | | | | | |
| | Total | \$6,664.9 | Total | \$3,694.2 | | | | | |
| Banks/ | BANK OF AMERICA, NATIONAL ASSOCIATION | \$334.9 | CELTIC BANK CORPORATION | \$250.3 | | | | | |
| TPLs | FIRST-CITIZENS BANK & TRUST COMPANY | \$279.9 | FIRST-CITIZENS BANK & TRUST COMPANY | \$149.5 | | | | | |
| 1st liens | CELTIC BANK CORPORATION | \$253.3 | BANK OF AMERICA, NATIONAL ASSOCIATION | \$147.2 | | | | | |
| | JPMORGAN CHASE BANK, NATIONAL ASSOCIATION | \$251.1 | JPMORGAN CHASE BANK, NATIONAL ASSOCIATION | \$135.2 | | | | | |
| | WELLS FARGO BANK, NATIONAL ASSOCIATION | \$189.7 | HARVEST COMMERCIAL CAPITAL, LLC | \$94.6 | | | | | |
| | BANK FIVE NINE | \$188.1 | BANK FIVE NINE | \$91.7 | | | | | |
| | HARVEST COMMERCIAL CAPITAL, LLC | \$145.9 | (blank) | \$83.1 | | | | | |
| | FIRST BANK OF THE LAKE | \$138.2 | WELLS FARGO BANK, NATIONAL ASSOCIATION | \$74.8 | | | | | |
| | LIVE OAK BANKING COMPANY | \$137.0 | U.S. BANK, NATIONAL ASSOCIATION | \$57.3 | | | | | |
| | CALPRIVATE BANK | \$116.9 | REGIONS BANK | \$51.5 | | | | | |
| | Total | \$9,236.2 | Total | \$5,089.6 | | | | | |

| | Top States for SBA 504 | Loan Approva | als |
|----|--------------------------------|--------------|--------------------------------|
| | FY2024 (Through Sep. 30, 2024) | | FY2025 (Through Mar. 31, 2025) |
| CA | 1,513,346,000 | CA | \$819,553,000 |
| FL | 719,626,000 | FL | 404,016,000 |
| ТХ | 491,267,000 | TX | 266,853,000 |
| IL | 288,527,000 | UT | 162,176,000 |
| GA | 275,557,000 | IL | 145,750,000 |
| NY | 237,791,000 | AZ | 129,895,000 |
| AZ | 207,717,000 | GA | 126,677,000 |
| WI | 188,337,000 | NY | 114,536,000 |
| UT | 184,687,000 | MN | 113,938,000 |
| MA | 176,094,000 | MA | 95,134,000 |

About Us

Equalize Capital LLC is an SEC-registered investment adviser that provides investment management services to the Equalize Community Development Fund (EQCDX) and is responsible for the management of the Fund's portfolio of investments.

| Full Yields & Rates Table | | | | | | | | | | |
|---|---------|-------------|---------|----------|------------|-----------------------|--|--|--|--|
| | | | 1 month | 3-months | | | | | | |
| Asset Yields | Current | 1-month ago | change | ago | 1-year ago | 3-years ago | | | | |
| 1m US T-Bill (BEY) | 4.37% | 4.36% | 0.01% | 4.37% | 5.51% | 0.48% | | | | |
| 3m US T-Bill (BEY) | 4.34% | 4.31% | 0.03% | 4.35% | 5.45% | 0.85% | | | | |
| 6m US T-Bill (BEY) | 4.28% | 4.14% | 0.14% | 4.30% | 5.41% | 1.41% | | | | |
| 1y US T-Bill | 4.05% | 3.83% | 0.22% | 4.25% | 5.13% | 2.08% | | | | |
| 2y US T-Note | 3.90% | 3.71% | 0.19% | 4.29% | 4.84% | 2.72% | | | | |
| 3y US T-Note | 3.85% | 3.71% | 0.14% | 4.31% | 4.63% | 2.94% | | | | |
| 5y US T-Note | 4.00% | 3.88% | 0.12% | 4.34% | 4.50% | 3.06% | | | | |
| 10y US T-Note | 4.37% | 4.26% | 0.11% | 4.49% | 4.48% | 3.12% | | | | |
| 20y US T-Bond | 4.86% | 4.76% | 0.10% | 4.75% | 4.73% | 3.43% | | | | |
| 30y US T-Bond | 4.83% | 4.71% | 0.12% | 4.69% | 4.64% | 3.23% | | | | |
| Federal Funds | 4.33% | 4.33% | 0.00% | 4.33% | 5.33% | 0.83% | | | | |
| Fed Discount Rate | 4.50% | 4.50% | 0.00% | 4.50% | 5.50% | 1.00% | | | | |
| Prime Rate | 7.50% | 7.50% | 0.00% | 7.50% | 8.50% | 4.00% | | | | |
| TED Spread | 0.12% | 0.07% | 0.06% | 0.11% | 0.11% | 0.09% | | | | |
| · · · · · · · · · · · · · · · · · · · | | | | | | | | | | |
| Swap Rates | | 4.6554 | 0.070/ | | F 600/ | A (A) | | | | |
| 2 Year Swap | 4.07% | 4.00% | 0.07% | 4.57% | 5.20% | 3.12% | | | | |
| 5 Year Swap | 4.03% | 3.98% | 0.06% | 4.51% | 4.71% | 3.24% | | | | |
| 10 Year Swap | 4.25% | 4.13% | 0.12% | 4.53% | 4.56% | 3.32% | | | | |
| SBA 504 2nd Lien Loan Rates | | | | | | | | | | |
| 10 Yr | 6.20% | 6.34% | -0.14% | 6.64% | 6.89% | 4.92% | | | | |
| 20 Yr | 6.41% | 6.45% | -0.04% | 6.35% | 6.65% | 5.06% | | | | |
| 25 Yr | 6.39% | 6.43% | -0.04% | 6.28% | 6.55% | 5.12% | | | | |
| Average Prime Rate Offer (APOR) Rates | | | | | | | | | | |
| 10 Yr Fixed | 6.15% | 5.94% | 0.21% | 6.25% | 6.63% | 4.64% | | | | |
| 10 Yr Variable | 6.60% | 6.60% | 0.00% | 6.78% | 7.27% | 4.30% | | | | |
| | 0.0070 | 0.0070 | 0.0070 | 0.1070 | 1.2170 | 4.0070 | | | | |
| Depository Rates | | | | | | | | | | |
| 1 Mon. CD - Non Jumbo | 0.24% | 0.25% | -0.01% | 0.23% | 0.22% | 0.03% | | | | |
| 3 Mon. CD - Non Jumbo | 1.42% | 1.43% | -0.01% | 1.47% | 1.65% | 0.06% | | | | |
| 6 Mon. CD - Non Jumbo | 1.60% | 1.61% | -0.01% | 1.64% | 1.57% | 0.10% | | | | |
| 1 Yr CD - Non Jumbo | 1.77% | 1.78% | -0.01% | 1.82% | 1.81% | 0.17% | | | | |
| 2 Yr CD - Non Jumbo | 1.49% | 1.49% | 0.00% | 1.45% | 1.54% | 0.22% | | | | |
| 3 Yr CD - Non Jumbo | 1.35% | 1.35% | 0.00% | 1.32% | 1.41% | 0.25% | | | | |
| Souingo | 0.410/ | 0.419/ | 0.00% | 0.419/ | 0.46% | 0.00% | | | | |
| Savings | 0.41% | 0.41% | 0.00% | 0.41% | 0.46% | 0.06% | | | | |
| Checking | 0.07% | 0.07% | 0.00% | 0.07% | 0.08% | 0.03% | | | | |
| Money Market - Non Jumbo | 0.62% | 0.63% | -0.01% | 0.64% | 0.66% | 0.08% | | | | |
| Regulatory & Interbank Rates | | | | | | | | | | |
| Secured Overnight Financing Rate (SOFR) | 4.30% | 4.33% | -0.03% | 4.35% | 5.31% | 0.78% | | | | |
| CME Term SOFR 1M | 4.33% | 4.30% | 0.03% | 4.32% | 5.32% | 0.79% | | | | |
| CME Term SOFR 3M | 4.30% | 4.20% | 0.10% | 4.32% | 5.33% | 1.18% | | | | |
| CME Term SOFR 6M | 4.18% | 4.02% | 0.16% | 4.28% | 5.29% | 1.62% | | | | |
| FHLB Fixed Advances (30 day, < \$15m) | 4.49% | 4.60% | -0.10% | 4.52% | 5.52% | 1.08% | | | | |

About Us

Equalize Capital LLC is an SEC-registered investment adviser that provides investment management services to the Equalize Community Development Fund (EQCDX) and is responsible for the management of the Fund's portfolio of investments.