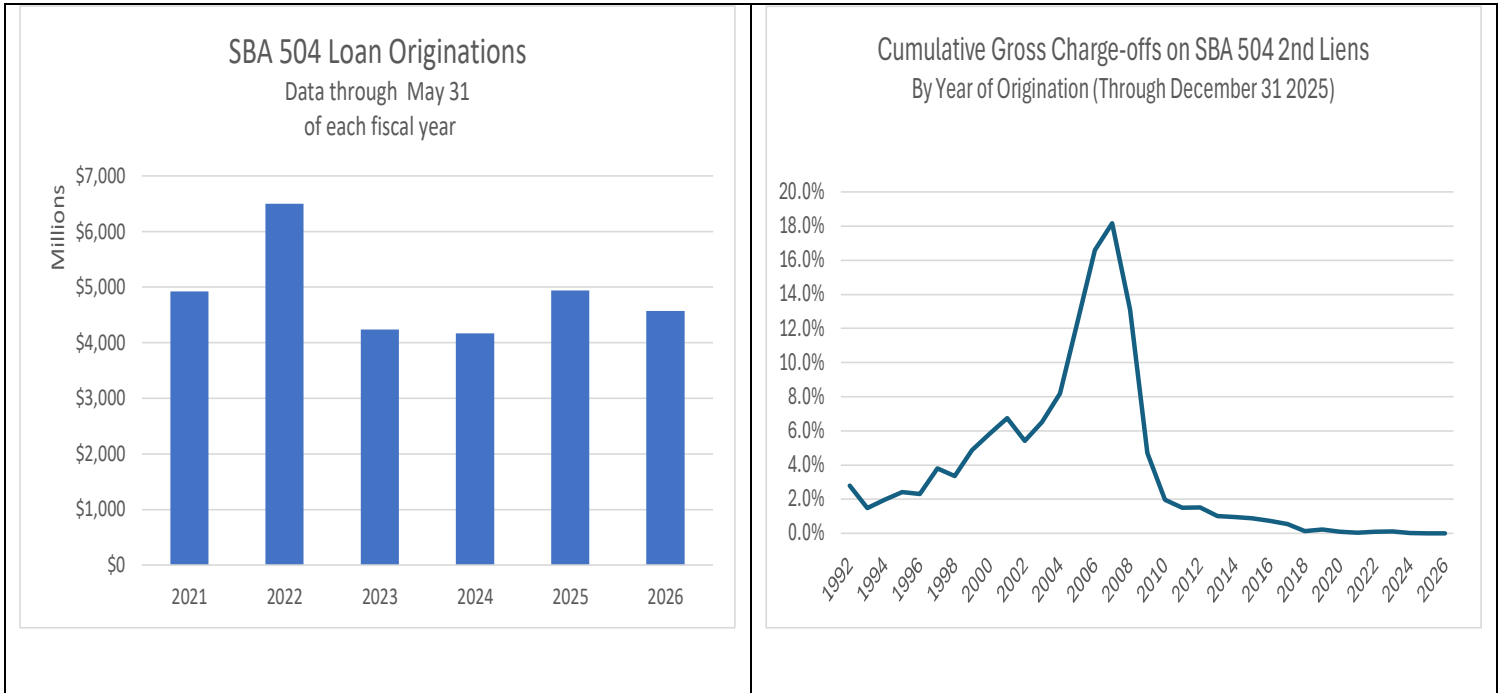
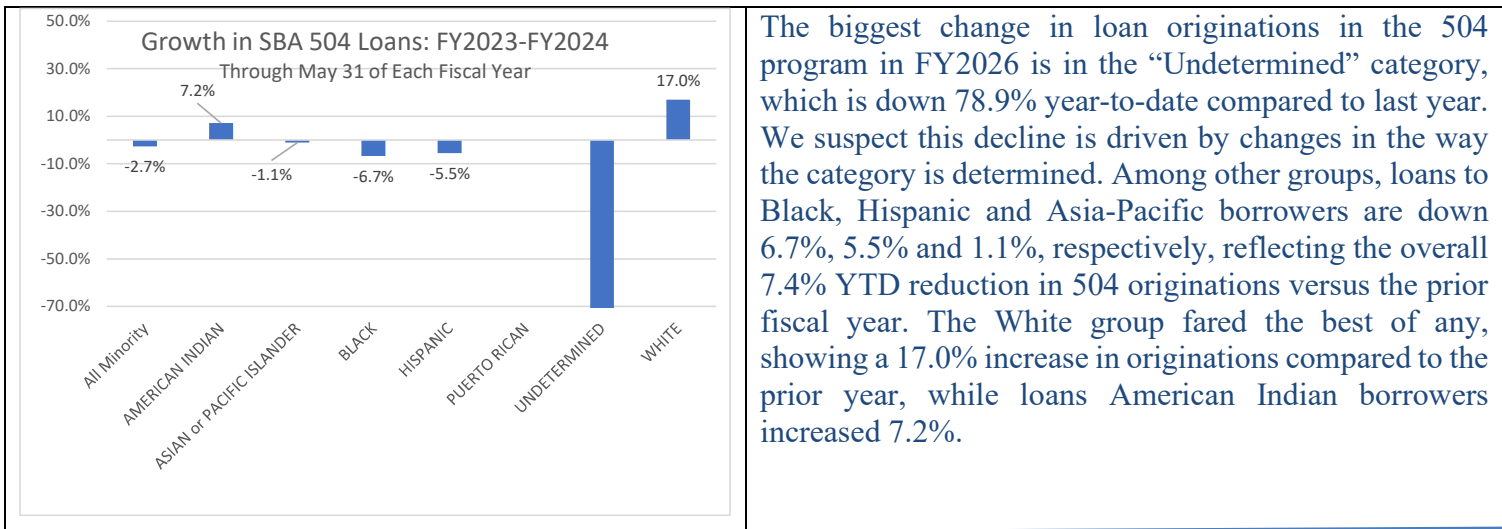


SBA 504 loan originations are steadily making up for the delays caused by the Government shutdown in the U.S., which lasted from October 1 through November 12, a period that coincides with the beginning of the SBA’s fiscal year 2026. The chart on the left below shows SBA 504 loan origination volumes through the end of May, with origination volumes now down 7.4% year-over-year. This marks an improvement over the 8.2% YoY decline reported at April 30, 2026. Originations in the SBA’s other major loan program are moving in the opposite direction. SBA 7(a) loans are now down 25.7% compared to the prior fiscal year through the same date, after being down 21.7% at the prior month end.



Cumulative gross charge-offs for the SBA 504 program have traditionally been very low, as seen in the graph above right. Demonstrating the strong credit quality of this program is the fact that cumulative net charge-offs on 504 loans remain below 1.0% for all fiscal years since 2015, and at 0.2% or below for every fiscal year since 2018.



The biggest change in loan originations in the 504 program in FY2026 is in the “Undetermined” category, which is down 78.9% year-to-date compared to last year. We suspect this decline is driven by changes in the way the category is determined. Among other groups, loans to Black, Hispanic and Asia-Pacific borrowers are down 6.7%, 5.5% and 1.1%, respectively, reflecting the overall 7.4% YTD reduction in 504 originations versus the prior fiscal year. The White group fared the best of any, showing a 17.0% increase in originations compared to the prior year, while loans American Indian borrowers increased 7.2%.

News Blurb(s) of the Month — Building Stronger Communities: The Power of CRA and Public-Private Partnerships, Austin Cherry, Jessica Farr, Mary Hirt – Federal Reserve Bank of Atlanta

June 3, 2026 – In the landscape of community development, few tools have proven as enduring and had as great an impact as the Community Reinvestment Act (CRA), which encourages financial institutions to meet the credit needs of the communities in which they operate, including low- and moderate-income (LMI) communities. At its core, CRA recognizes a fundamental truth: communities thrive when public, private, and nonprofit sectors unite around shared goals.

<https://www.atlantafed.org/what-we-do/community-and-economic-development/2026/06/03/building-stronger-communities-the-power-of-cra-and-public-private-partnerships>

Top SBA 504 Lenders				
	FY2025 (Through Sep. 30, 2025)	Volume (\$Millions)	FY2026 (Through Mar. 31, 2026)	Volume (\$Millions)
CDCs	Mortgage Capital Development Corporation	\$836.4	Mortgage Capital Development Corporation	\$331.7
2nd Liens	Florida Business Development Corporation	\$440.9	Florida Business Development Corporation	\$213.4
	Florida First Capital Finance Corporation, Inc.	\$427.0	Business Finance Capital	\$207.4
	Business Finance Capital	\$385.0	California Statewide Certified Development Corporation	\$198.0
	California Statewide Certified Development Corporation	\$377.2	Florida First Capital Finance Corporation, Inc.	\$167.3
	Mountain West Small Business Finance	\$324.5	Mountain West Small Business Finance	\$137.9
	Empire State Certified Development Corporation	\$271.8	Empire State Certified Development Corporation	\$113.2
	Capital Certified Development Corporation	\$229.5	Trenton Business Assistance Corporation	\$102.8
	WBD, Inc.	\$190.5	Small Business Growth Corporation	\$102.1
	Trenton Business Assistance Corporation	\$167.1	Capital Certified Development Corporation	\$101.1
	Total	\$7,804.2	Total	\$3,368.6
Banks/	Bank of America, National Association	\$353.6	Bank of America, National Association	\$163.6
TPLs	Celtic Bank Corporation	\$316.3	Harvest Commercial Capital, LLC	\$121.8
1st liens	First-Citizens Bank & Trust Company	\$312.4	First-Citizens Bank & Trust Company	\$107.7
	JPMorgan Chase Bank, National Association	\$256.1	Celtic Bank Corporation	\$103.6
	Harvest Commercial Capital, LLC	\$227.2	Bank Five Nine	\$84.6
	Bank Five Nine	\$161.9	(blank)	\$83.9
	(blank)	\$155.3	JPMorgan Chase Bank, National Association	\$76.0
	Wells Fargo Bank National Association	\$143.2	Wells Fargo Bank National Association	\$70.2
	Live Oak Banking Company	\$123.2	Live Oak Banking Company	\$69.3
	Glacier Bank	\$113.9	First Bank of the Lake	\$57.9
	Total	\$9,923.5	Total	\$4,263.4

Top States for SBA 504 Loan Approvals				
	FY2025 (Through Sep. 30, 2025)		FY2026 (Through Mar. 31, 2026)	
CA	1,781,937,000	CA	863,366,000	
FL	777,062,000	FL	339,090,000	
TX	560,886,000	TX	203,351,000	
IL	323,695,000	IL	138,124,000	
UT	312,900,000	UT	137,011,000	
AZ	277,489,000	GA	132,760,000	
GA	265,062,000	NY	132,345,000	
NY	257,116,000	AZ	95,294,000	
MN	249,829,000	MN	91,954,000	
WI	205,400,000	NJ	78,198,000	
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 Equalize Community Development Fund (EQCDX) 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)	3.69%	3.71%	-0.02%	3.75%	4.30%	5.25%
3m US T-Bill (BEY)	3.78%	3.70%	0.08%	3.71%	4.45%	5.37%
6m US T-Bill (BEY)	3.81%	3.77%	0.04%	3.68%	4.31%	5.39%
1y US T-Bill	3.85%	3.79%	0.06%	3.60%	4.08%	5.17%
2y US T-Note	4.05%	3.95%	0.10%	3.64%	3.94%	4.59%
3y US T-Note	4.09%	3.96%	0.13%	3.64%	3.89%	4.23%
5y US T-Note	4.18%	4.07%	0.11%	3.79%	4.02%	3.92%
10y US T-Note	4.45%	4.42%	0.03%	4.21%	4.41%	3.75%
20y US T-Bond	4.96%	4.97%	-0.01%	4.82%	4.93%	4.05%
30y US T-Bond	4.95%	4.98%	-0.03%	4.86%	4.91%	3.89%
Federal Funds	3.62%	3.63%	-0.01%	3.64%	4.33%	5.08%
Fed Discount Rate	3.75%	3.75%	0.00%	3.75%	4.50%	5.25%
Prime Rate	6.75%	6.75%	0.00%	6.75%	7.50%	8.25%
Swap Rates						
2 Year Swap	4.44%	4.22%	0.22%	3.92%	4.20%	4.93%
5 Year Swap	4.43%	4.22%	0.21%	3.97%	4.15%	4.14%
10 Year Swap	4.59%	4.46%	0.13%	4.29%	4.38%	3.94%
SBA 504 2nd Lien Loan Rates						
10 Yr	5.88%	5.88%	0.00%	5.61%	6.20%	6.04%
20 Yr	6.16%	6.01%	0.15%	5.78%	6.39%	6.38%
25 Yr	6.11%	5.95%	0.16%	5.72%	6.37%	6.33%
Average Prime Rate Offer (APOR) Rates						
10 Yr Fixed	5.98%	5.89%	0.09%	5.53%	6.14%	6.33%
10 Yr Variable	6.18%	6.02%	0.16%	6.01%	6.62%	6.69%
Depository Rates						
1 Mon. CD - Non Jumbo	0.21%	0.21%	0.00%	0.22%	0.23%	0.26%
3 Mon. CD - Non Jumbo	1.24%	1.25%	-0.01%	1.35%	1.41%	0.62%
6 Mon. CD - Non Jumbo	1.35%	1.44%	-0.09%	1.48%	1.58%	1.19%
1 Yr CD - Non Jumbo	1.55%	1.53%	0.02%	1.55%	1.75%	1.59%
2 Yr CD - Non Jumbo	1.50%	1.51%	-0.01%	1.40%	1.48%	1.45%
3 Yr CD - Non Jumbo	1.32%	1.33%	-0.01%	1.32%	1.35%	1.36%
Savings	0.38%	0.38%	0.00%	0.39%	0.42%	0.40%
Checking	0.07%	0.07%	0.00%	0.07%	0.07%	0.07%
Money Market - Non Jumbo	0.57%	0.57%	0.00%	0.56%	0.62%	0.59%
Regulatory & Interbank Rates						
Secured Overnight Financing Rate (SOFR)	3.59%	3.60%	-0.01%	3.64%	4.28%	5.05%
CME Term SOFR 1M	3.63%	3.65%	-0.02%	3.67%	4.31%	5.15%
CME Term SOFR 3M	3.66%	3.66%	0.00%	3.67%	4.32%	5.25%
CME Term SOFR 6M	3.75%	3.67%	0.08%	3.64%	4.26%	5.29%

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