



Date: October 13, 2009
To: Certified Development Companies
From: Steve Van Order, DCFC Fiscal Agent
Subject: October 2009 SBA 504 Debenture Offering (2009-20J)

On October 14, 2009, 434 twenty-year debentures totaling \$245,560,000 will be funded through the sale of certificates guaranteed by SBA. Below are debenture pricing details:

Sale/Sale Comparison	Treasury	Swap Spread	Spread	Rate	T plus
2009-20J (10/06/09)	3.240%	17.50 BP	50.50 BP	3.92%	68.0 BP
2009-20I (09/08/09)	3.450%	20.00 BP	55.00 BP	4.20%	75.0 BP
Change	-21.0 BP	-2.50 BP	-4.50 BP	-28 BP	-7.0 BP

- The November offering will consist of 10- and 20-year debentures.
- The **cutoff date** to submit loans to Colson for this offering is Tuesday **October 20**.
- A **request to remove a submitted loan** from a pool must be made through Colson Services by close of business Thursday, **October 29**.
- **Pricing date** is Tuesday **November 3**, on which the debenture interest rates will be set.
- The debentures will be funded on Thursday, November 12.

A combination of lower treasury yield, tighter interest rate swap spread and tighter 504 debenture spread over swap led to the lowest 20-year debenture rate on record, 3.92%, nudging out the previous record of 4.07% from June 2003. The lowest program debenture rate ever, however, was the 3.08% 10-year rate from the September 2009 offering. The +68 BP spread to treasury for the October offering compared to a pre-crisis (i.e. inception through July 2007) average of +84 BP and was the tightest since April 2007.