FY 2026 Issuance Summary

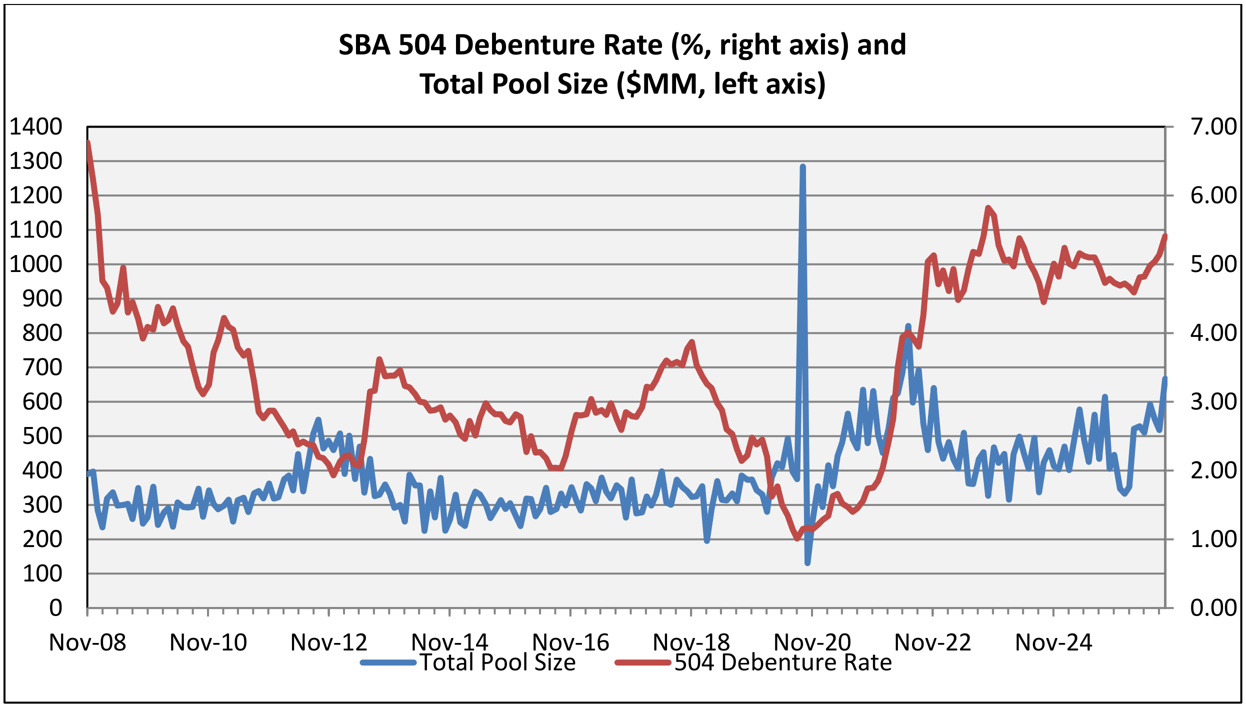
FY2026 will be identified as a period that expected rate cuts from the Fed as inflation was showing signs of improvement but was reversed in March 2026 when a conflict with Iran began. An engagement expected to last several weeks was ongoing as the fiscal year ended with inflation remaining high as oil prices surged past $100 bbl. Instead of rate cuts the new Fed Chairman, Kevin Warsh, assumed control of the FOMC with multiple rate hikes forecast. The 504 program overcame a government shutdown in October 2025 that restricted processing of loan applications, yet the program closed the year strongly surpassing FY2025 issuance totals. With expectations of short term rates rising the Treasury curve flattened and the 504 program was able to fund at improved credit spreads.

Category	FY2026	FY2025	Change
25 year %	4.87%	5.0%	-13 bps
25 year spread	52 bps	69 bps	-17 bps
Total Loans	5,261	5,386	-2.3%
Total Issuance	$5.769B	$5.731B	+0.6%
Approved Loans*	$6.574B	$6.985B	

*FY2026 approved loans through August 2026

Both the Total Pool Size and 504 Debenture Rate lines show sharp increases with the September sale at 5.41% being 82 bps higher than in December and the pool size increasing to $667MM in Septem vs. $347MM in December (post shutdown).

An indication of how strongly the program finished the fiscal year is the average monthly debenture sale for the months March to September was $555.3M vs. an October 2025 to February 2026 average of $376.4M.



Debt Refinance

The Debt Refinance program continues its consistent participation in monthly debenture sales though its FY2026 total decreased due to three sub-par months that reduced its average.

Period	# Amount of Loans	% of Sales
FY2026	$528,280,000	9.2%
FY2025	$560,614,000	9.8%

Approved loans in FY2026 totaled $6,575,494,000 through August as the program played catch up from the government shutdown.