

The Solomon Hess SBA Loan Fund

Fact Sheet

1Q 2025

INVESTMENT DETAILS

as of March 31, 2025

| | |
|--------------------------|--|
| Inception Date | December 2004 |
| Assets | \$846 million |
| Investors | Over 120 nationwide |
| Min. Investment | \$2,000,000 |
| Liquidity | Monthly with 30 days' notice |
| Asset Class | Primarily the federally guaranteed portion of floating-rate SBA 7(a) loans |
| Preferred Return Q2 2025 | 4.95% annualized net of all fees and expenses |
| Management Fee | 0.60% |
| Target Region Fee | 0.10% |

PORTFOLIO CHARACTERISTICS

as of March 31, 2025

| | |
|--|---------|
| # Bond Issues | 2,075 |
| Weighted Average Coupon | 7.36% |
| Weighted Average Maturity (years) | 14.83 |
| Effective Duration (years) | 0.46 |
| Weighted Average Life (years, at 12 CPR) | 4.5 |
| Average Loan Size | 466,407 |

PORTFOLIO COMPOSITION

as of March 31, 2025

| | |
|-----------------------------|-------|
| Interest-Only Securities | 5.0% |
| SBA 7(a) Pools | 46.9% |
| SBA & USDA Guaranteed Loans | 44.8% |
| Cash and Other | 3.3% |

PORTFOLIO MANAGER

Mike Fallon

Chief Investment Officer
Since 2012

The **SBA Loan Fund** is a Community Reinvestment Act (CRA)-eligible open-ended Community Development investment fund. The Fund seeks to provide current income consistent with the returns available in adjustable-rate government guaranteed financial products by investing in Community Development loans guaranteed by the Small Business Administration (SBA). Community Development loans are loans to small businesses located in low- and moderate-income areas or that employ low- and moderate-income persons.



Why Invest?

HIGH, TARGETED CRA-ELIGIBLE IMPACT

Investors are able to identify specific target areas. Investment in the Fund can be counted for either **Community Development Lending Test or Investment Test Credit for CRA**.

"SHOW ME" INSTEAD OF "TRUST ME"

CRA-qualified loans in targeted assessment areas shown to investors **before capital is called**.

HIGH CREDIT QUALITY ASSETS

Primary asset class is **explicitly guaranteed** by the SBA and variable rate. The Fund comprises over 1,000 Community Development loans in 47 states.

CUSTOMIZED REPORTING

Customized impact report detailing jobs and Community Development loans supported by investor capital provided "on demand" basis. Also provided are quarterly reports on the financial performance of the Fund.

Fund Impact as of March 31, 2025

| | | | | |
|---|--|--|--|--|
| 85,523 Total jobs created/ retained since inception | 5,819 Total small business loans invested in since inception | \$3.4B Total amount invested since inception | 21,148 Total jobs created/ retained in current portfolio | 1,393 Total small business loans invested in current portfolio |
|---|--|--|--|--|

Loans in Current Portfolio as of March 31, 2025



1,210

Located in
LMI and/
or distressed
communities



226

Businesses
that are
minority
owned



335

Businesses
that are
woman
owned



117

Originated
by mission-
driven lenders
or CDFIs



24

Businesses
that are
Veteran-
owned