



There are two main programs available to assist businesses with the COVID-19 crisis:

1. Paycheck Protection Program
2. Economic Injury Disaster Loan and Grant Program

We thought it would be helpful to businesses to provide a summary of the main programs we are receiving the most inquiries about in one place!

We are here to help and will quickly share more information as details become available in the coming days and weeks! Also, please reach out to us directly if you have questions



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PAYCHECK PROTECTION PROGRAM

Borrowers Apply Through Local Banks

The Paycheck Protection Program prioritizes millions of Americans employed by small businesses by authorizing up to \$349 billion toward job retention and certain other expenses.

- This program allows small business (under 500 employees), non-profits, self-employed and sole proprietors to apply for a forgivable loan to cover two and a half months of salaries and benefits for employees.
- Costs that can be covered under this program include: salary (up to \$100,000 of a salary if it's higher), all benefits including health care, and state and local taxes for employees. This program funding can also be used to cover mortgage and rent payments and utilities. 75% of the funds must be used for salaries.
- The loan has a rate of 0.5% and a term of 2 years.
- The maximum loan amount will be 2.5 times the entity's average monthly costs for total salaries and benefits.
- The loan can be forgiven – either partially or in its entirety – if the entity shows that it retained or rehired its employees within 8 weeks of receiving the funding (there are still details on this part being worked out). If all employees are retained or rehired – the loan is 100% forgiven. If 50% of the employees are rehired, then 50% of the loan is forgiven. You get the idea.

FOR A LIST OF SBA LENDERS - [CLICK HERE](#)
FOR THE SBA PPP APPLICATION WEBSITE - [CLICK HERE](#)



ECONOMIC INJURY DISASTER LOANS AND GRANTS

Borrowers Apply Directly to SBA Online

The Economic Injury Disaster Loan (EIDL) Program was launched by SBA on March 18th in response to COVID-19 crisis.

- This program allows small businesses (under 500 employees) and non-profits to apply for a disaster loan. This includes self-employed and sole proprietorships.
- Payment of the loan is deferred for at least 6 months. Loan rates are 3.75% for small businesses and 2.75% for private non-profit organizations with a term of up to 30 years.
- This loan can be used to pay for standing debt, payroll, and any other bills that can't be paid because of the crisis.
- Applicants can receive a \$10,000 grant as a first step in the loan. SBA will award this grant within 3 days of an application submitted to help provide a bridge of funding to the business or non-profit while applications are reviewed.

TO APPLY FOR A COVID-19 ECONOMIC INJURY DISASTER LOAN & GRANT [CLICK HERE.](#)



Few Overarching Notes

- You can accept both EIDL and PPP funding, but you have to apply them to different needs. For instance, you can use one to pay for March salaries and the other one to pay for April and May salaries.
- If you take the EIDL \$10,000 grant, and then get a PPP, that \$10,000 grant will be folded into your PPP allocation.
- If you have an existing SBA loan, you can get it deferred for 6-12 months. Make sure to check with your lender because it may not happen automatically.
- If you are not sure that you can rehire or retain your employees for the 8 weeks after receiving PPP funds, remember that you will need to pay it back. It is ONLY forgivable if you can show employee retention/rehires. But it is a lower loan rate, so might be worth it either way as compared to the EIDL.
- These programs will be first-come, first serve. This means that if you are interested in them, help your small businesses and non-profits organize their papers ASAP.