

## Choosing Options that Fit

Loan Components	Payment Protection Program (PPP)	Economic Injury Disaster Loans (EIDL)	SBA Debt Relief	WEDC SB20/20
How long is this product available?	February 15, 2020 to June 30, 2020	January 31, 2020 to December 31, 2020	Available any time	While funds last (very limited)
What is it?	Loans with a forgivable portion	Loans with an emergency grant	Relief program for SBA borrowers	Grants to existing clients of CDFIs
Who qualifies?	<ul style="list-style-type: none"> <li>• Businesses and entities listed below and in operation before 2/15/2020 with no more than 500 employees</li> <li>• Small businesses or business concern with no more than 500 employees per physical location</li> <li>• Sole proprietor</li> <li>• Independent contractors</li> <li>• Non-profits with one of these designations: 501(c)(3), 501(c)(19), 31(b)(2)(c)</li> </ul>	<ul style="list-style-type: none"> <li>• Businesses and entities listed below and in operation before 1/31/2020 when the public health crisis was announced</li> <li>• Small business concerns and small ag cooperatives that meet SBA size eligibility</li> <li>• Most private non-profits of any size</li> <li>• Sole proprietors</li> <li>• Independent contractors</li> <li>• Coops and employee owned businesses</li> <li>• Tribal small businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Any business or entity with at least one of the following SBA loans:                             <ul style="list-style-type: none"> <li>• SBA 7(a) loan</li> <li>• SBA 504 loan</li> <li>• SBA micro-loan</li> </ul> </li> <li>• It doesn't include debt relief on previous SBA disaster loans</li> </ul>	<ul style="list-style-type: none"> <li>• An existing loan client of a CDFI receiving WEDC SB20/20 grant funds</li> </ul>
Maximum Loan amount available:	<p style="text-align: center;">\$10 Million max</p> <p>The amount for most of these loans will be equivalent to 2.5 times the average monthly payroll costs during the 12 months prior</p>	\$2 Million loan	N/A	N/A
Maximum Grant or Loan Forgiveness available:	Maximum loan forgiveness up to 8 weeks of payroll; forgiveness amount based on employee retention and salary levels. Total	Grants up to \$10,000 for an emergency advance within 3 days of applying for EIDL  Applicants are not required to repay advance grant even if	Up to 6 months of SBA payments of principal, interest, and fees for existing SBA loans and new SBA loans taken out within 6 months of the President signing the bill (CARES Act)	Up to 2 months of payroll and rent, capped at \$20,000 for businesses with no more than 20 employees and no more than \$2 Million in revenue

	forgiveness cannot exceed amount of loan	the EIDL loan is denied.		
What is the term for the loan?	<ul style="list-style-type: none"> <li>For any amounts not forgiven, the max term is 10 years</li> </ul>	<ul style="list-style-type: none"> <li>Up to 30 years, first payments due 12 months after funds are issued</li> </ul>	N/A	N/A
What is the interest rate for the loan?	<ul style="list-style-type: none"> <li>4%</li> </ul>	<ul style="list-style-type: none"> <li>3.75% to for-profit businesses</li> <li>2.75% to non-profit businesses</li> </ul>	N/A	N/A
What are the guarantees and collateral required for this loan?	<ul style="list-style-type: none"> <li>No personal guarantee required</li> <li>No collateral required</li> <li>Increases government guarantee of 7(a) loans to 100% through 12/31/2020, then it will return to 75% for loans exceeding \$150,000 and 85% for loans up to \$150,000</li> </ul>	<ul style="list-style-type: none"> <li>Personal guarantee not required for loans under \$200,000</li> <li>Personal guarantee required for loans of \$200,000 and more</li> <li>Loans not denied due to collateral but SBA will work with borrower to pledge collateral in a way that is favorable</li> </ul>	N/A	N/A
Are there Underwriting Requirements for this loan?		<ul style="list-style-type: none"> <li>Since ability to repay in this circumstance is difficult, EIDL loans will be made based solely on credit scores</li> </ul>		
Are there covenants to the loan or grant?	<ul style="list-style-type: none"> <li>Requires eligible borrowers to make good faith certification that the loan is necessary</li> <li>Must certify you do not have an application pending or have received this type of loan</li> </ul>	<ul style="list-style-type: none"> <li>The loan amount forgiven will be reduced proportionally by a reduction in employees retained compared to the prior year and reduced by the reduction in pay of any employee beyond 25% of their prior year compensation.</li> </ul>		

<p>What are the eligible use of funds?</p>	<ul style="list-style-type: none"> <li>• Retain and Maintain payroll, health care and insurance costs</li> <li>• Lease payments</li> <li>• Interest portion of loan payments</li> <li>• Utility payments</li> </ul>	<ul style="list-style-type: none"> <li>• Payroll</li> <li>• Increased costs due to supply chain disruption</li> <li>• Mortgage or lease payments</li> <li>• Repaying obligations that cannot be met due to revenue losses</li> </ul>	<ul style="list-style-type: none"> <li>• SBA will cover payments of principal, interest, and fees for existing SBA loans and new SBA loans taken out within 6 months of the President signing the bill (CARES Act)</li> </ul>	<ul style="list-style-type: none"> <li>• Up to 2 months of Payroll and Rent</li> </ul>
<p>What documentation does a client need to provide?</p>	<p>The following are needed to qualify for loan forgiveness</p> <ul style="list-style-type: none"> <li>• Payroll documentation showing # of FTEs and cost of wages and taxes</li> <li>• Payroll tax filings</li> <li>• Verification of covered mortgage, lease and utility payments</li> </ul>	<ul style="list-style-type: none"> <li>• Tax information authorization form 4506-T</li> <li>• Two years of taxes</li> <li>• Personal Financial Statement</li> <li>• Schedule of Liabilities</li> <li>• Non-profits have a different list of documents</li> <li>• Additional information may be requested</li> </ul>	<p>N/A</p>	<ul style="list-style-type: none"> <li>• Complete survey and attestation statement</li> </ul>
<p>Can I receive assistance multiple sources of assistance?</p>	<ul style="list-style-type: none"> <li>• Limitations from receiving PPP and EIDL for the same purpose</li> <li>• If you receive a PPP loan you may not qualify for employee retention credit</li> <li>• If your loan is forgiven, you may be unable to delay payment on payroll taxes</li> </ul>	<ul style="list-style-type: none"> <li>• Prohibited from applying for EIDL if borrower has a previously pending application for 7(a) loan for the same purpose</li> </ul>	<ul style="list-style-type: none"> <li>• Other resources are allowed to be stacked</li> </ul>	<ul style="list-style-type: none"> <li>• Other resources are allowed to be stacked</li> </ul>
<p>How do I apply?</p>	<p>Apply with a qualified SBA lender</p>	<p>Apply online with SBA at <a href="https://www.sba.gov/page/disaster-loan-applications">https://www.sba.gov/page/disaster-loan-applications</a></p>	<p>Make your request through the lender holding your SBA loan</p>	<p>Inquire with your current CDFI lender with whom you have an active loan</p>