



CARES ACT GUIDE: LOAN PROGRAMS

	Emergency Injury Disaster Loans	Paycheck Protection Program Loans
Maximum Loan Amount	\$2 million	\$10 million
Grant/ Forgiveness	<p>Emergency grant of up to \$10,000, available within three days of EIDL application. Can be used for:</p> <ul style="list-style-type: none"> • Providing paid sick leave • Maintaining payroll • Meeting increased materials costs • Paying rent and mortgage • Repaying obligations 	<p>Borrower can request forgiveness of the principal portion of the loan for money used to cover payroll, mortgage interest, rent, and utilities</p>
Interest Rate	<p>3.75% for businesses 2.75% for nonprofits</p>	1.00% on balance that remains after forgiveness
Repayment Period	Up to 30 years	2 years for balance that remains after forgiveness
Eligibility	<p>Must be directly affected by COVID-19 and fall under one of the following categories:</p> <ul style="list-style-type: none"> • Businesses with < 500 employees • Cooperatives, ESOPs, and tribal small businesses (< 500 employees) • Sole proprietors and independent contractors 	<ul style="list-style-type: none"> • Businesses and IRC Section 501(c)(3) nonprofits with < 500 employees • Sole proprietors, independent contractors, and eligible self-employed • IRC Section 501(c)(19) veterans' organizations and tribal concerns that meet the SBA size standards • Businesses with NAICS code beginning in (72) may be eligible on a per location basis
Must Have Been in Business On	January 31, 2020	February 15, 2020
Where to Apply	<p>SBA COVID-19 Disaster Assistance Portal https://www.sba.gov/funding-programs/disaster-assistance</p>	<p>Local bank (but availability varies). Use NAV to fill out application and get matched to a lender. https://www.nav.com/paycheck-protection-program-form/</p>

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Personal Guarantee	For loans > \$200,000	None
Collateral Requirement	For loans > \$25,000	None
Payment Deferment	One year	At least six months
Allowable Uses of Funds	<p>Items listed above under Grant/Forgiveness and:</p> <ul style="list-style-type: none"> • Pay fixed debts, payroll, accounts payable, and other bills • NOT intended to replace lost sales and profits • Cannot be used to pay down long-term debt 	<ul style="list-style-type: none"> • Payroll • Costs related to group health care benefit continuation • Salaries, commissions, and other compensations • Interest on mortgage obligation (but not principal or prepayment) • Rent • Utilities • Interest on pre-existing debt • Refinancing on SBA EIDL loan made between January 31, 2020 and April 3, 2020
Credit Requirement	Personal credit check for all 20% or more owners	None
Funding Timeframe	Grant of up to \$10,000 within three days. Next disbursement of \$25,000 within a few weeks (projected).	Varies by lending institution