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| This is a work in progress that compares the features of new SBA loan and grant options. | | | | | |
| SBA Coronavirus Pandemic Disaster Loans | | | | | |
| | Economic Injury Disaster Loan (EIDL) | EIDL Forgiveness/Advance (grant up to 10K) | PPP SBA 7a (Paycheck Protection Program) | SBA Express Bridge Loan | SBA Small Business Debt Relief Program |
| Eligibility | Self-employed individuals, independent contractors, sole proprietors, and businesses, Tribal business concerns, ESOPs, cooperatives and private/501(c)(3) non-profits with 500 or fewer employees | Self-employed individuals, independent contractors, sole proprietors, and businesses, Tribal business concerns, ESOPs, cooperatives and private/501(c)(3) non-profits with 500 or fewer employees | Self-employed individuals, independent contractors, sole proprietors, and businesses, Tribal business concerns and private/501(c)(3) non-profits with 500 or fewer employees | Any business in operation before March 13, 2020, that has fewer than 500 employees or otherwise meets the SBA's existing Size Standard (predicated or NAICS code and annual revenue). Credit not available elsewhere. | 7(a) loans not made under the Paycheck Protection Program (PPP), 504 loans, and microloans. Disaster loans are not eligible. |
| Lender | SBA | SBA | SBA-certified Lenders including Banks, Credit Unions (CDFI, CDC) | Bank/Credit Union/(CDFI, CDC) | Borrower's current SBA-certified lender |
| Apply | Online: https://covid19relief.sba.gov/#/ | Part of EIDL loan app: https://covid19relief.sba.gov/#/ | SBA-certified Lenders | SBA-certified lender that has an existing banking relationship with applicant as of 3/13/2020. | Debt relief is automatic, but you should check in with your lender |
| Term | 30 years | n/a | 2 years | Maximum of 7 years. Must be structured as a term loan, not a revolving LOC | SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months |
| Amount | up to 2M | Up to 10K | 250% of average monthly payroll from the past year, up to 10M | up to 25K | |
| Interest Rate | 3.75% | n/a | 0.50% | Not to exceed Prime + 6.5%, fixed or variable | n/a |
| Security | Unsecured up to 25K; loans of over 25K will need to give the SBA access to collateral, that does not mean that you need to have your loan fully collateralized, but if you have collateral it will be used. | n/a | None | None | n/a |
| Payment Deferral | 1 year | n/a | 6 months | n/a | |
| Turn Around | SBA says 3-6 weeks | Legislation mandates 3 days | 2 weeks | within 45 days of approval, and no later than 90 days | |
| Forgiveness | None | Applicants shall not be required to repay advance payments, even if subsequently denied for an EIDL loan. | The amount spent by the borrower during an 8-week period after the origination date of the loan on: payroll costs, interest payment on any mortgage incurred prior to February 15, 2020, payment of rent on any lease in force prior to February 15, 2020, and payment on any utility for which service began before February 15, 2020. Employee and compensation levels must be maintained and payroll cost capped at \$100,000 on an annualized basis for each employee. | none | SBA pays the principal, interest, and any associated fees owed on all 7(a) and 504 loans in regular servicing starting with the next payment due for existing and new borrowers. Existing loan - 6-month payment relief begins with the next payment due; Existing loan on deferment - 6-month payment relief begins with the next payment due on the loan after the deferment period ends; New loans made within six months of 3/27/2020 - 6-months of payments beginning with the first payment due on the loan |
| Fees | None | None | None | Upfront guaranty fees: Not more than 2% of the guaranteed portion of a loan if the total amount of the loan (maximum of \$500); Annual service fee: no more than 0.55% of the outstanding balance of the guaranteed portion of the loan; Application fee: the greater of 2% of loan amount or \$250; Late payment fee: not to exceed 5% of scheduled payment | |
| Loan Availability Period | January 31, 2020 – December 31, 2020 | January 31, 2020 – December 31, 2020 | February 15, 2020 - June 30, 2020 | March 13, 2020 - September 13, 2020 | Thru September 27, 2020 |

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| Usage | Pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. It does not cover lost sales. | Providing paid sick leave to employees, maintaining payroll, meeting increased costs to obtain materials, making rent or mortgage payments, and repaying obligations that cannot be met due to revenue losses | Employee salaries, paid sick or medical leave, insurance premiums, and mortgage, rent, and utility payments. | Working capital to be used to cover operational expenses to support the survival, or the reopening of the business. | Support the survival and/or reopening of the business |
| Prohibitions | Cannot be used to pay off existing debt | | Borrower cannot have pending application for an EIDL or 7(a) loan for the same purpose. | Borrower may obtain only one EBL. | |
| Loan Interaction | If you get a disaster EIDL loan tomorrow, and then use it to pay payroll and mortgage and healthcare and utilities, only to come back in a month and apply for the PPP loan you can't get forgiven for those costs you've already covered under your disaster loan | If you applied for the EIDL before 3-29-20, you will have to re-apply for the 10K. Applications after 3-29-30 include option to request 10K advance | If you received an EIDL loan related to COVID-19 between January 31, 2020 and the date at which the PPP becomes available, you would be able to refinance the EIDL into the PPP for loan forgiveness purposes. However, you may not take out an EIDL and a PPP for the same purposes. Remaining portions of the EIDL, for purposes other than those laid out in loan forgiveness terms for a PPP loan, would remain a loan. If you took advantage of an emergency EIDL grant award of up to \$10,000, that amount would be subtracted from the amount forgiven under PPP. | Will be repaid in full or in part by proceeds from the EIDL loan | Borrower may separately apply for and take out a PPP loan, but debt relief will not apply to a PPP loan. |
| Note 1 | OK for business to be less than 1 year old | Can get grant even if don't qualify for EIDL loan | Business must have been operational on February 15, 2020, and had employees | | |
| Note 2 | | | Eligible payroll costs do not include compensation above \$100,000 in wages. | | |
| Note 3 | | | Starting April 3, 2020 , small businesses and sole proprietorships can apply. Starting April 10, 2020 , independent contractors and self-employed individuals can apply. | | |
| Note 4 | | | Affiliation standards are waived for small businesses (1) in the hotel and food services industries (click HERE for NAICS code 72 to confirm); or (2) that are franchises in the SBA's Franchise Directory (click HERE to check); or (3) that receive financial assistance from small business investment companies licensed by the SBA. | | |