

Coronavirus Emergency Loans for Small Businesses

An Overview of What You Need to Know

	SBA Economic Impact Disaster Loan (EIDL)	Paycheck Protection Program (PPP)
Who Qualifies	Small businesses and private, nonprofit organizations. This includes sole proprietors and independent contractors.	Small businesses, 501(c)(3)s, veterans organizations, and tribal businesses. This includes sole proprietors and independent contractors.
How Much	Up to \$2,000,000; with a \$10,000 loan advance that is forgivable.	Up to \$10 million; however, the max amount will likely be the average monthly payroll for 2019 multiplied by 2.5
What Can The Loan Be Used For	Fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact.	Payroll costs, employee salaries, interest payments on mortgages entered into before February 15, 2020 (but not prepayment or payment of principal), rent for a lease entered into before February 15, 2020, utilities, including electricity, gas, water, transportation, telephone, or internet; and interest on any debt incurred before February 15, 2020.
Loan Term	Up to 30 years. Term will be determined by your ability to repay the loan.	Up to 10 years.
Loan Rate	3.75% fixed for small businesses; 2.75% fixed for nonprofits.	Lender determines rate - up to 4% maximum.
Deferral Period	Payments deferred up to 12 months.	Payments deferred up to 12 months.
Loan Advance Available	The emergency EIDL grant is an advance of \$10,000 to small businesses and nonprofits that apply for SBA's EIDL program. The advance will be provided within three days of applying for the loan, and businesses will not be required to repay the advance, even if they are denied for an EIDL.	Not available.
Is It Forgivable	\$10,000 EIDL forgivable loan grant available.	The SBA will forgive up to eight weeks of payroll and other costs if the organization retains its employees and maintains salary levels. The maximum amount forgiven cannot exceed your loan amount.
Loan Fees	All loan fees are waived for borrowers.	All loan fees are waived for borrowers and lenders.
Collateral or Personal Guarantee Required	Only for loan amounts greater than \$200,000.	No.
How to Apply	Complete loan application online at https://covid19relief.sba.gov ; or, print and mail application.	Contact your local banker. All loans will be administered by local banks. .

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Frequently Asked Questions

Should I apply for loan assistance?	Anyone who have been adversely affected by the COVID-19 pandemic should apply for assistance.
Is there a deadline for loan applications?	Currently, loan applications will be accepted until December 2020. Due to the expected overwhelming number of applicants, it is recommended that you apply immediately.
Can I apply for both the EIDL and PPP?	Yes. You can apply for and accept both loans; however, if you get the EIDL, you can't get the PPP for the same purpose.
How long does it take to complete the application?	The new expedited online EIDL application takes approximately 10 minutes to complete. Additional time and information may be required at a later time. Estimated application times for PPP loans have not yet been determined, but you can expect a standard bank loan application processing time.
Am I required to accept the loan after I apply?	No. You do not have to accept the loan.
Will my credit affect my loan terms?	In some cases, the approval or denial, rate, and loan term will be affected by an applicant's credit.
What documents are required to apply?	The expedited EIDL application requires minimal documents. You will need to provide your gross revenues and cost of goods sold for the 12 months prior to January 31, 2020. At a later time, you may be required to complete a general loan application and provide copies of: the most recent federal income tax return, a personal financial statement for each principal owning more than 20%, and a schedule of liabilities listing all fixed debts. Some businesses will also be required to submit a current year-to-date profit and loss statement and monthly sales figures. The PPP loan requirements have yet to be released; however, you can expect standard commercial loan document requirements.
Who can I contact for assistance and questions?	For help with applying for an Economic Injury Disaster Loan, call 800-659-2955 or email disastercustomerservice@sba.gov . You can also use a text telephone (TTY) by calling 1-800-877-8339. Local SBA counselors can be found online at https://www.sba.gov/local-assistance/find/ . For help with applying for a Paycheck Protection Program Loan, contact your local bank.