



SBA Financial Assistance

Prepared for Loudoun Supervisor's Rural Business Call

4/28/20



Funded in part through a cooperative agreement with the U.S. Small Business Administration

SBA Funding Update

Additional funding for EIDL and PPP was approved

PPP applications are being processed by lenders now

EIDL applications are ‘paused’ at the moment

Please be patient, the demand has been overwhelming

SBA Funding Update

Applications already entered are being processed (PPP and EIDL)

Keep checking with banks for PPP loan status

SBA will contact you for EIDL (may get deposit for advance first)

EIDL vs PPP Assistance

Economic Injury Disaster Loan (EIDL) (*paused for now*)

Eligible: Small businesses (LLC or Corp), Sole Proprietors/1099 Contractors, Most Non-Profits

Loan Details: Up to \$2M each, 3.75%/2.75%, 30-yr term, 1 yr deferred payments, may need personal guarantee, no collateral under \$25,000, collateral above, application direct to SBA

EIDL vs PPP Assistance

Economic Injury Disaster Loan (EIDL) (*paused for now*)

Use of funds: Fixed debts, payroll, accounts payable, other bills.

EIDL Advance: \$1,000 per employee, up to \$10,000 advance once application is reviewed (queue time +3). Forgivable.

Apply Online: <http://covid19relief.sba.gov>

(See application walkthrough at www.loudounsbdc.com)

EIDL vs PPP Assistance

Paycheck Protection Program (PPP)

Eligible: Small businesses (LLC, Corp, Sole Proprietors*), Some Non-Profits. MUST HAVE PAYROLL (W-2/940/941/944)

Loan Details: Up to \$10M each, 1%, 2-yr term, 6 mo deferred payments, no collateral, no personal guarantee, apply through SBA lending partners (banks, etc.)

EIDL vs PPP Assistance

Paycheck Protection Program (PPP)

Use of funds: Payroll, rent, mortgage interest, utilities

Loan Forgiveness: 100% may be forgiven IF funds used mostly for payroll expenses (75%/25%).

Apply for PPP at SBA lending institutions

Do not apply at multiple lenders without knowing your original application has NOT been submitted already. If multiple applications are submitted to SBA it might flag your application as potential fraud and they might be denied. Check with your lender first to get status.

EIDL vs PPP Assistance

Keep Good Documentation for All Assistance Funds!

Suggestions: use separate account for assistance funds, create category in QuickBooks, keep all receipts & records current, file 940/941 on time

Know how you will spend the money (the bank may ask)
PPP loan forgiveness may depend on your record keeping!

SBA Loan Deferment Program

Existing SBA 7(a), 504 and microloans can be deferred 6 months

Check with your SBA lender to ask for loan modification

IF NOT SBA LOAN: Ask your lender for a deferment too!

Adjustments to reporting to allow no penalty for them doing so and will not affect your credit score

Note: Also make sure to ask vendors for deferments and extended terms as well if you haven't already

Assistance from the Loudoun SBDC

No-Cost Virtual Coaching available now!

Loan assistance and questions, planning and strategy for lockdown and recovery

For registration link & FAQ: www.loudounsbdc.com

Contact admin staff: mec20175@gmu.edu or (703)466-0466



Your Questions

Contact us at any time:

www.loudounsbdc.com

mec20175@gmu.edu

(703) 466-0466



Funded in part through a cooperative agreement with the U.S. Small Business Administration