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SBA Loan Assistance



Current:

Economic Injury Disaster Loan (EIDL)

Pending:

**Small Business Interruption Loan (SBIL)
(CARES Act)**



Economic Injury Disaster Loan (EIDL)





EIDL specifics

- Declaration must first be made by state Governor to SBA with approval process to follow.
- Loans available up to \$2 million.
- Loan interest rates are 3.75% for small businesses and 2.75% for nonprofits (currently, no there is no provision to lower the rates).
- Employers with 500 employees or less are eligible.
- Maximum loan term of up to 30 years (term is determined on a case-by-case basis).
- Must have applicable credit history.
- Must show ability to repay loan.
- Collateral is required for loans over \$25,000. SBA accepts real estate as collateral when applicable. SBA will not decline a loan for lack of collateral and will require borrower pledge collateral that is available.

A line graph on a grid background with a pen pointing to the end of the line. The graph shows a line with four circular markers, starting high on the left and trending downwards to the right. A silver pen is positioned at the bottom right, pointing towards the final marker of the line. The background is a light gray grid.

Small Business Interruption Loan (SBIL) CARES Act





SBIL specifics

****CARES Act is currently in legislation; will update details as information is provided***

- Loans available up to \$10 million.
- Loan amount is calculated at four times business average monthly expenses (rent/mortgage, loan payments, payroll).
- Loan interest rates are 3.75% for small businesses and 2.75% for nonprofits (currently, no there is no provision to lower the rates)
- Maximum loan term of up to 30 years (term is determined on a case-by-case basis).
- Must have applicable credit history
- Must show ability to repay loan. *Note: CARES Act calls for deferment of payment up to 1 year.*
- Options for loan forgiveness:
 - Forgiveness is determined as the cost of maintaining payroll from 3/1/20 - 6/30/20.
 - Formula and required documentation to qualify is TBD.
- Businesses who receive SBIL loans to cover employee salaries, payroll support, mortgage or other debt obligations cannot also receive EIDL loans for the same purpose.



Be prepared (get documentation ready!)

- Current financial income (income, balances of bank/credit accounts and monthly expenses).
- Disaster request for transcript of tax return (4506-T).
- Complete copies of recent financial statements or tax returns.
- Form 413 (personal financial statement) for each principal owning 20% or more, and each general partner or managing member.
- Form 2202 (schedule of liabilities).
- Additional information may be requested. Applicants have 7 days to respond to additional requests.