

Which SBA Loan Option is Right for My Business?

Loan Name	Economic Injury Disaster Loan	Paycheck Protection Program
Who lends the money?	You interact directly with the SBA	You interact directly with your primary banking institution
Where do I apply?	www.sba.gov or via mail in application	Directly with your bank once SBA makes the application available
Who is eligible	Businesses with < 500 employees	Businesses with < 500 employees with certain exceptions
What does the loan cover?	Operating expenses over the next 6 months	Payroll expenses from Feb 15, 2020 - June 30th, 2020
What is the maximum loan amount?	\$2,000,000	\$10,000,000
Does it require personal guaranties?	Yes	No
Does it require collateral	Yes for loan > \$25,000	No
What is the initial repayment terms	No payments through the first 12 months	No payments up to first 12 months
What are the repayment terms after initial period?	30-year term loan	10-year term loan
What is the interest rate during the term out period?	3.75% for for-profits, 2.75% for non-profits	4%
Is the loan forgivable	No	Yes
Does the loan have a prepayment penalty	No	No
What is the estimated time from application to receiving loan funds?	3 - 4 weeks	1 - 2 weeks
Are there any fees?	Minimal recording fee	No
Is this loan part of the CARES Stimulus Package?	No	Yes
How much is allocated nationally towards this loan program?	\$50 billion	\$350 billion
Who should apply?	Businesses that don't have an immediate need for a cash infusion but anticipate needing a source of low cost funding to handle operating expenses during the downturn and additional support to help the business coming out of the downturn	Businesses that need an immediate cash infusion to help keep employees on the payroll and businesses that may need additional support paying mortgages, rent and utilities through June 30, 2020

Subject to final regulations forthcoming from the United States Small Business Administration