

NAIOP 4/9/2020 Webinar-Impacts of Cares Act

The \$2 trillion coronavirus relief package signed by the President last week includes nearly \$350 billion for a federal small business loan program called the Paycheck Protection Program (PPP). PPP loans are separate from existing federal loan programs, including the SBA's 7(a) Loans and Economic Injury Disaster Loans (EIDL). The SBA has also extended its Express Bridge Loan (EBL) pilot program to supplement its Disaster Loan program.

SBA Coronavirus Relief					
	Existing SBA 7(a) Loans	Paycheck Protection Program (PPP)	SBA Express Loans	SBA Express Bridge Loans	Economic Injury Disaster Loans (EIDL)
Maximum loan size	\$5 million	\$10 million	\$1 million (temporarily)	\$25 thousand	\$2 million. \$10 thousand advance
Deferment	Through December 31, 2020	6 months to 1 year	Through December 31, 2020	Through December 31, 2020	May be deferred up to 4 years, currently through December 31, 2020
Maximum guaranty	85% for loans up to \$150,000 and 75% for loans greater than \$150,000	100%	50%	50%	N/A
Maximum interest rates	Prime + 2.75%	0.5%	Prime + 6.5%	Prime + 6.5%	3.75% for businesses and 2.75% for nonprofits
Size Eligibility	Based on SBA's size standards	500 or fewer employees	Based on SBA's size standards	Based on SBA's size standards	Based on SBA's size standards
SBA Turnaround Time	5-10 business days	"Same day"	36 hours	36 hours	2-3 weeks for disbursement
Collateral	For loans over \$350,000, collateralize the loan to the maximum extent possible	No personal guaranty or collateral	Lenders' existing collateral policy for loans over \$25,000	No collateral requirement	Personal guarantees have been modified and/or eliminated
Forgiveness	Yes	Yes	No	May be repaid in full or in part by proceeds from an SBA EIDL loan	Does not need to be repaid if used for payroll

Sources/Important Links:

[SBA - Paycheck Protection Program \(PPP\)](#)

[SBA - 7\(a\) Loan Program](#)

[SBA - Alternative Financing for COVID-19](#)

[SBA - Disaster Assistance](#)

[SBA Express Bridge Pilot Program Guide](#)

[SBA - Coronavirus \(COVID-19\): Small Business Guidance & Loan Resources](#)

[PPP -- Overview](#)

[Borrower Paycheck Protection Program Application \(v1\)](#)

CPA Links:

<https://www.aicpa.org/interestareas/privatecompaniespracticesection/qualityservicesdelivery/sba-paycheck-protection-program-resources-for-cpas.html>

<https://www.dhq.com/covid-19>