

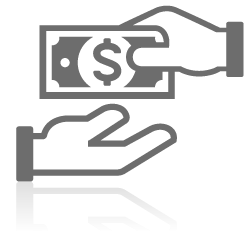
SBA Economic Injury Disaster Loan (EIDL) Emergency Advance

(For Small Businesses with fewer than 500 Employees)

I have not applied for the Small Business Administration (SBA) Economic Injury Disaster Loan (EIDL) emergency advance program. Am I eligible?

You may be eligible if you meet the following criteria:

- ✓ You have fewer than 500 employees
- ✓ You are a not-for-profit, including those established under 501(c)(3)
- ✓ You have substantial economic injury related to COVID-19



Loan Details

- Emergency grants are available through December 31, 2020
- Provides working capital loans up to \$2,000,000 for up to 30 years and can be used for costs not covered under the Paycheck Protection Plan
- Fixed interest rate: 3.75% for businesses, 2.75% for non-profits
- Personal guaranties not required for loans up to \$200,000
- Waives the normal requirements that applicants
 - are unable to obtain credit elsewhere
 - must have been in business for one year before disaster. (Instead, applicants must have been in business January 31, 2020)
- For small-dollar loans, SBA may approve applicants solely based on credit score without a tax return or use appropriate alternative methods to determine an applicant's ability to repay

Emergency Grants

- Applicant may request an advance of up to \$10,000 from SBA
- To be funded within three days after SBA receives application
- Applicant must self-certify they are an eligible business for EIDL
- The \$10,000 is not required to be paid back – even if loan is not eventually approved for EIDL

This \$10,000 grant will reduce the amount of eligible loan forgiveness should the applicant also receive a Paycheck Protection Plan loan under SBA's 7(a) program



What should I do today?

- ✓ Gather the most basic business and business owner information as well as financial details, including 12-Month Gross Revenues, Cost of Sold Goods, Operating Costs, and bank account information, and fill out an online application.
- ✓ Advise your Board that you are applying for a loan and will be incurring debt; secure approval if required.
- ✓ Demand for the loan is high. Don't forget, you are providing vital services to the community that support health and safety. Don't be afraid to use this fact to help assure quick access to the loan.
- ✓ Expiration Date 9/30/2020

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loan-emergency-advance>

I need cash right away! What should I do now?

Consider applying for an **Express Bridge Loan Pilot Program**. It allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly. These loans can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing and can be a term loan or used to bridge the gap while applying for a direct **SBA Economic Injury Disaster Loan**. If a small business has an urgent need for cash while waiting for decision and disbursement on an Economic Injury Disaster Loan, they may qualify for an **SBA Express Disaster Bridge Loan**.

Terms

- Up to \$25,000
- Fast turnaround
- Will be repaid in full or in part by proceeds from the EIDL loan

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-express-bridge-loans>

Connect with Us

David Wawrzynek, MS, MBA

Senior Director, Fiscal Practice Improvement
Coordinated Care Services, Inc.

DWawrzynek@ccsi.org