NCRLA | NC Restaurant & Lodging Association

COVID-19:
SMALL BUSINESS LOAN OPTIONS

The Paycheck Protection Program, part of the new CARES stimulus package, is a federal loan program aimed at helping small businesses who have been severely impacted by Coronavirus. In addition to the Paycheck Protection Program loan, the U.S. Small Business Administration (SBA) is also offering an Economic Injury Disaster Loan (EIDL) to small business owners. You can apply for this low-interest, federal disaster loan directly through the SBA.

We are currently waiting on guidance from the SBA on the full details of these two programs. In the meantime, we include a comparison chart below to illustrate each program's highlights as we know them right now.

	Paycheck Protection Program (PPP)	Economic Injury Disaster Loan (EIDL)
USES	- Payroll Expenses - Employee Salaries - Mortgage Interest - Rent and Utilities - Interest on debt incurred before 2.15.20	- Payroll - Fixed Debts - Accounts Payable - Other expenses that can't be paid because of the disaster's impact
AMOUNT	2.5X business's average monthly payroll	up to $2 million
RATE	fixed 4% Annual Percentage Rate	3.75% Annual Percentage Rate
TERMS	no payments for first 6-12 months then a 10-year term	up to 30 years
FORGIVENESS	up to 100% with approval	0% is eligible for forgiveness

* This information is accurate and updated as of 3.27.2020. Terms and conditions are subject to change.

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