



Financial Assistance Programs – CARES ACT

Congress recently enacted the Coronavirus Aid, Relief and Economic Security (“CARES”) Act to provide economic assistance to business during this time of impact from Covid-19. These programs are intended to be available for most any business that has been negatively impacted by Covid-19.

The CARES Act provides for \$376 billion in potential assistance which might be beneficial for your business to investigate and pursue. Administered by the Federal Small Business Administration, this assistance is in the form of four different programs. Although we have provided a basic outline of the four main aspects below, here is a link to the SBA’s web site for the four different funding options:

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

- The “Paycheck Protection Program” (PPP) is aimed at helping businesses retain their employees. The PPP provides very low interest rate loans to qualifying small businesses to help pay for payroll costs for up to eight weeks. Generally available to employers with less than 500 employees, these loans are obtained directly from any bank that is authorized to offer SBA loans. In many instances, these loans can be totally forgiven if the funds borrowed are verified to have been utilized for payroll purposes. Reportedly oversubscribed and unavailable for new applicants as of April 17th, Congress is working on additional funding for this and other assistance programs so additional funding may be added soon.

Details on the PPP can be found here:

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>

- The “Economic Injury Disaster Loan” (EIDL) is a loan for up to \$10,000 which may be forgiven. Funding for this loan is reportedly oversubscribed as well but there are reports that Congress is working to add funding to this program.

Details on the EIDL program can be found here:

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

- SBA Express Bridge Loans are for a business that already has a relationship with an SBA lender and is intended to be granted quickly for businesses that are in urgent need of cash while waiting for their EIDL to be approved and funded.

Details on the Express Bridge loan program can be found here:

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

- SBA Debt Relief is a program defers payments due on certain existing SBA loans.

Details on the SBA Debt Relief program under the CARES Act can be found here:

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

Even the International Council of Shopping Centers (ICSC) has information posted on its web site which you may find helpful: <https://www.icsc.com/coronavirus>

We encourage you to investigate the CARES Act and other SBA programs to see if it can bring financial assistance to your business. You can find out more information about the possible benefits to your business and applying for assistance utilizing one or more of these programs, how to navigate the process and the latest in the interpretation or rulings from the SBA Administrator on these programs from your bank, your attorney or your financial advisor.