

SBA Economic Injury Disaster Loans (EIDL)

This loan program is available via the Small Business Administration (SBA) for small business – in most cases businesses with less than 500 employees. There are two related programs:

- **Low interest, long term federal disaster loans:** 3.75% fixed, 30-year term, with no payments until 12 months after disbursement. Proceeds can be used for ongoing operations (not expansion or CAPEX); e.g. payroll, supplies, fixed debt repayment. Qualification criteria has been relaxed from typical SBA loan programs
- **EIDL advances:** Following an application for an EIDL loan (as outlined above), an application can request an “advance” of up to **\$10,000** that can be available via direct deposit within a matter of days. **This advance does NOT need to be repaid!** As with the EIDL loan, it is to be used for on-going business expenses such as payroll, sick leave, supplies, etc.

Companies apply directly to SBA, with no need to go through their normal lender or another bank, at:

<https://covid19relief.sba.gov/#/>

The site back-end is managed by a high-volume mortgage lender and is capable of handling up to 2,000 applications/minute, so capacity should not be an issue. Upon completing the application, you receive a confirmation number, which can be used to track the approval process.

Note: Guidance from SBA administrators is to apply for all available programs, and then choose what fits best with your need and situation.