



# Memo

**To:** All Business Clients  
**From:** Gregory Barford  
**Date:** 4/2/2020  
**Subject:** Paycheck Protection Program (PPP)

As a result of the coronavirus outbreak, the federal government is providing working capital loans to small businesses via the SBA. The application can be filed on line at: [SBA.gov](https://www.sba.gov); Learn More; scroll down to “Economic Injury Disaster Loan Program”; and click “Click here to apply”; click on “Apply Online” and fill out the application. The forms required include a business application, personal financial statement, schedule of liabilities and sales history. We can assist you in filling out the package. We have reviewed all the forms and are familiar with them. The turnaround time for these loans is estimated at 30 days. The loan terms are very reasonable with interest rates at 3.75% and terms up to 30 years.

However, to qualify for the loan, the specific county your business is located in must be declared a disaster area. The ironic thing is that all small businesses across the country are experiencing an economic disaster, but some bureaucrat in Washington does not understand this.

In theory it should be easier to get this type of SBA loan than a conventional line of credit with a bank right now. Commercial banks are going to be very wary to lend to a business right now that is experiencing declining sales. Despite that, these commercial banks may lend up to \$25,000 to \$50,000 right now as a goodwill gesture.

Please feel free to contact us.

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