

The application period is now open for the Paycheck Protection Program (PPP) as Amended by the Economic Aid Act

General program parameters for applicants that have not received a prior PPP loan:

- Application open period – January 11, 2021 to March 31, 2021.
- Eligible businesses – a business concern (e.g., sole proprietorship, farmer, independent contractor, corporation, LLC, partnership), a tax-exempt nonprofit organization described in section 501(c)(3), 501(c)(6) or 501(c)(19) of the IRS, or a Tribal business concern described in section 31(b)(2)(C) of the Small Business Act.
- The business or organization was in operation on February 15, 2020 (exceptions for seasonal businesses) and is not permanently closed.
- Farmers are eligible.
- Loan proceeds can be used for payroll and payroll related costs, rent, mortgage interest, utilities, other debt service, refinancing of an EIDL loan made between January 30, 2020 and April 3, 2020, operations expenditures, property damage costs, supplier costs and worker protection expenditures. Sixty percent of loan funds must be used for payroll cost.
- Amount that can be borrowed – 2.5 x avg monthly payroll (applicant election of 2019 or 2020 operating year); there are different calculations for businesses without payroll, e.g., sole proprietors and for some other types of businesses.
- CU will make PPP loans up to \$150,000. If you qualify for more than \$150,000, we will connect you to one of our nonprofit CDFI partners.
- The interest rate is 1%.
- No collateral or personal guarantees required.
- The loan term is five (5) years.
- Payments will start ten (10) months after the end of the loan forgiveness covered period (8 or 24 weeks [borrower election] after loan disbursement); however, the loan may be partially or fully forgiven, and no payments may be due.
- The loan application form (SBA 2483 revised January 8, 2021) can be found at: <https://www.sba.gov/document/sba-form-2483-pay-check-protection-program-borrower-application-form>. Please carefully follow the instructions and note the various certifications. Submit your completed, signed application and required documentation at www.CommunitiesU.org/PPP or scan and email it to PPP@CommunitiesU.org along with the required documentation. If you need assistance submitting your loan application and documents, please email PPP@CommunitiesU.org or call 479.443.2700.

General program parameters for applicants that have received a prior PPP loan:

- If you already have a PPP, we encourage you to work with your original lender to apply for the Second Draw. Working with your original lender may be faster and require less documentation. If this is not possible, you can work through CU by submitting a new PPP application.
- Application open period – January 13, 2021 to March 31, 2021.
- Full amount of first PPP loan has been used for authorized purposes.
- Must have a 25% decrease in gross receipts for corresponding period of 2019 to 2020 (may be quarter or annual comparison). For loans of \$150,000 or less the 2019 to 2020 comparison (if not submitted at time of application) will be required when seeking future loan forgiveness or upon SBA request.
- Use of funds, terms, etc. are generally the same as above for first time PPP applicants, however, the loan calculation for accommodation and food service businesses (NAICS 72 code businesses) can be 3.5 x avg. monthly payroll instead of 2.5.
- The loan application form (SBA 2483-SD) can be found at: <https://www.sba.gov/document/sba-form-2483-sd-ppp-second-draw-borrower-application-form>. Please carefully follow the instructions and note the various certifications. Submit your completed, signed application and required documentation to PPP@CommunitiesU.org along with the required documentation. If you need assistance submitting your loan application and documents, please email PPP@CommunitiesU.org or call 479.443.2700.

The information above outlines general program parameters/ requirements. If you believe you qualify for a PPP loan, you can submit your application at www.CommunitiesU.org/PPP or contact a loan officer by emailing or calling.

www.CommunitiesU.org/PPP

PPP@CommunitiesU.org

479.443.2700

COMMUNITIES
Unlimited