

# NAVIGATING THE SBA ECONOMIC INJURY DISASTER LOAN PROGRAM

The Brookings Area Chamber of Commerce and Brookings Economic Development Corporation want to make obtaining SBA funds as easy as possible for you. We want to proactively provide the requirements, so you can efficiently gather the requested information. We urge you to set an appointment with your local lender if you haven't already - they will be your most valuable resource during this time.

## **THINGS TO KNOW**

- Before an application is started, confirm your business qualifies per SBA's [table of small business size standards](#)
- Incomplete applications will not be accepted and may delay funding.
- This is the only direct federal loan program.
- First loan approvals occurred 3/20/2020.
- \$2 million in loans (with authority to go higher) are available to meet working capital and normal expense needs – this is NOT meant to replace lost profits.
- Loans are not meant to refinance long-term debt.
- The agency has relaxed its standards for “credit available elsewhere.” SBA recognizes this is an unprecedented economic event and has the right to waive this requirement.
- Automatic 1 year deferment on first payment to allow business to get back to normal.
- The applicant must prove the ability to re-pay the loan as part of the underwriting analysis.
- The business is NOT obligated to accept the funds, there is a 60 day window (likely to be extended) to execute documents.
- Applicant will self-certify that their business is “small.”
- There is no early payoff penalty.



# Your SBA Loan Checklist

Here's what we know about the loan application and documents needed.

More information can be found at the [SBA website](#).

(The SBA prefers you submit your application electronically, however, the paper forms are helpful to wrap your head around what information you'll need.)

- Copy of Credit Bureau Report with Credit Scores from the three primary reporting agencies for all owners \*
- Personal Financial Statement ([SBA Form 413](#)) for all owners
- Federal business tax returns for the last 3 years; or year-end profit & loss statement and balance sheet if taxes have not been filed
- Federal personal tax returns for last 3 years for all owners
- Business Financial Statements for year to date (both income statements and balance sheet is preferred).
- Current year-to-date profit and loss statement.
- Schedule of all business assets.
- Schedule of all liabilities listing all fixed debts. ([SBA Form 2202](#))
- Provide monthly sales beginning 3 years prior to the disaster and continuing through the most recent month . ([SBA Form 1368](#))
- SBA Loan Application ([SBA Form 5](#))
- IRS Form [8821](#) / [4506-T](#) for each owner
- Written explanation of the amount you are seeking and how it will be used. Describe the loss.

\* A "business owner" is considered 20% ownership in the business