

# SCORE NAPLES COVID-19 UPDATE

**Resources and Information for Small Businesses  
and Entrepreneurs**

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# OVERVIEW

- ▶ **Update on Payroll Protection Program and Emergency Injury Disaster Loans**
  - ▶ **Since April 24 Paycheck Protection Program and Health Care Enhancement Act (PPPHCEA) aka Son of CARES**
- ▶ **Florida Emergency Bridge Loans**
- ▶ **Foreclosures and Evictions in Florida**
- ▶ **Small Business Debt Relief and Other Relief**
- ▶ **Mortgage Loan Forgiveness, Forbearance and Modifications**
- ▶ **Strategies for Workouts, Lease Negotiations and Insurance Claims**

# PAYROLL PROTECTION PROGRAM - PPP

- ▶ **\$310 billion in additional funding in PPPHCEA**
- ▶ **Based on average monthly payroll times 2.5, maximum \$10 million**
- ▶ **Businesses fewer than 500 employees (with exceptions)**
- ▶ **No personal guarantees or collateral**
- ▶ **Can be forgiven but non-payroll costs cannot exceed 25% of forgiven amount.**
  - ▶ **If they do, amount of forgiveness goes down**
- ▶ **Two-year term at 1% on unforgiven amount**
- ▶ **Must certify that loan was needed to sustain business**
- ▶ **Probably out of funds by now**

# ECONOMIC INJURY DISASTER LOAN AND GRANTS - EIDL

- ▶ **Additional \$50 billion for loans and \$10 billion in grants in PPPHCEA**
- ▶ **No funding remaining as loans in queue already have taken up all new funding**

# FLORIDA EMERGENCY BRIDGE LOAN PROGRAM

- ▶ **Originally \$50 million**
- ▶ **Loans up to \$50,000, or \$100,000 with exceptions**
- ▶ **38,000 applications**
- ▶ **1,000 loans granted**
- ▶ **Out of funding**

# OTHER PROGRAMS

- ▶ **SBA Disaster Loan Relief**
  - ▶ SBA will cover principal and interest on current 7(a) loans for six months.
- ▶ **Employee retention tax credit**
  - ▶ Refundable payroll tax credit designed to encourage employers to keep employees
  - ▶ Effective for wages paid after March 13, 2020 and before December 31, 2020
  - ▶ Not available to those with PPP loan
- ▶ **Payroll Tax Deferral**
  - ▶ Defer employer share of Social Security taxes but must pay later.

# EXECUTIVE ORDER– FORECLOSURES/EVICTIONS

- ▶ Florida Executive Order 20-94 issued April 2, 2020
- ▶ Suspends and tolls any statute providing for a mortgage foreclosure cause of action for 45 days
- ▶ Suspends and tolls any statute providing for an eviction cause of action
  - ▶ SOLELY as it relates to non-payment of rent by RESIDENTIAL tenants due to the Covid-19 emergency
  - ▶ for 45 days
- ▶ Nothing relieves the individual from their obligation to pay rent or mortgage payments.



# MORTGAGE RELIEF OPTIONS

- ▶ **Contact the Servicer/Lender**
- ▶ **CARES Act Relief**
  - ▶ **Federally Backed Mortgages**
    - ▶ Lender may NOT foreclose on you for 60 days after March 18,2020
    - ▶ You need to determine if federally backed
    - ▶ Right to request a forbearance for 180 days, plus another 180 days
    - ▶ You must request
    - ▶ Terms of forbearance repayment varies by type of loan
  - ▶ **Loans not federally backed**
    - ▶ Servicers are working with people – case by case basis

# STRATEGIES FOR WORKOUTS, LEASE NEGOTIATIONS AND MODIFICATIONS

- ▶ **COMMUNICATE**
- ▶ **COMMUNICATE**
- ▶ **COMMUNICATE**

# QUESTIONS?

## THANK YOU!

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