

RE: First Federal Lakewood - SBA 7(a) CARES Act Info

On March 27, 2020, the United States Congress passed, and President Trump signed, the Coronavirus Aid, Relief, and Economic Security Act (**CARES Act**) to help support businesses and families through the on-going novel coronavirus (COVID-19) pandemic.

In particular, the CARES Act expanded the SBA Section 7(a) loan program, also referred to as the “Paycheck Protection Program” (**PPP**), which aims to support small businesses. We are encouraging all our small business borrowers who are impacted by COVID-19 to consider applying for a loan under this new program, which provides some critical **benefits**, including:

1. **Cash** to cover select business expenses (such as employee salaries and payroll support, rent or mortgage and utilities payments, insurance premiums)
2. 6 months of **deferred loan payments**
3. **Loan forgiveness** (a portion, or possibly all, of your loan may be forgiven)

Please see the attached flyer(s) for more information about these SBA programs. Plus, you will find a checklist of documents you will need to submit when applying.

Key Points to Know about the PPP program:

- Length of a PPP loan: 2 years
- Interest rate on a PPP loan: 0.5%
- Maximum dollar amount of a PPP loan: **2.5x** of your average total *monthly* payments for **payroll costs** of the business during the 1-year period before the loan is made. Payroll costs include salary, wage, vacation, parental, family, medical or sick leave, severance, health care benefits, and local taxes.
- Last day to apply for a PPP loan: **June 30, 2020**
 - BUT, please note that it takes time for you to complete the application and to process your approval.
 - Also, note that there is a limited amount of funds available under the CARES Act for PPP loans.

HOW TO APPLY:

1. Please fill out the attached application form and send it back to your First Federal Lakewood Loan Officer.
2. Please include all required documentation found in the FFL PPP Checklist.

As a strong supporter of our local community for over 85 years, we remain committed to serving you in any way that we can.



[Refer a Friend!](#)

Alix Kaufmann

Vice President, Treasury Management Officer

14806 Detroit Ave, Lakewood, OH 44107

o: (216) 239-5842

c: (440) 590-2978

akaufmann@ffl.net