



# Michigan Small Business Relief Program: Loans

## Important Things to Know:

A program has been established to provide immediate small business loans to businesses immediately impacted by COVID-19.

Source of the Funding: Michigan Small Business Relief Program

Funding Amount: \$10 million

Funding Availability: On or about April 1, 2020

### Overview

Provides up to \$10 million for small business loans to one or more Community Development Financial Institution ("CDFI") or a licensed SBA not-for-profit institutions ("Eligible SBA Non-Profit"), or directly from the MSF to eligible borrowers to be used to provide low-interest loans with flexible repayment terms to support certain small businesses statewide that have realized a significant financial hardship as a result of the COVID-19 outbreak. Loans to eligible borrowers must be \$50,000 or more and are capped at \$200,000.

### Eligible Business

- The company is in an industry outlined in Executive Order 2020-9 ("EO"), or demonstrates it is otherwise affected by the COVID-19 outbreak, or is a company that provides goods and services to companies to the aforementioned;
- The company has fewer than 100 employees;
- The company needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business;
- The company can demonstrate that it is unable to access credit through alternative sources;
- The company can demonstrate an income loss of as a result of Executive Order 2020-9.

### Uses & Terms

- Loans may be used for working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business.
- Interest .25% per annum
- Repayment terms will be determined based on business need and are anticipated to be monthly interest only payments for the first 60 months with all principal due to be repaid no later than 120 months following closing.

Additional Information can be found online at: [michiganbusiness.org/covid19/](https://michiganbusiness.org/covid19/)

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