O'NEILCANNON
HOLLMAN DEJONG & LAING S.C.

SBA ELIMINATES SIX MONTHS OF LOAN PAYMENTS FOR CERTAIN EXISTING SBA LOANS

The Small Business Administration (SBA) will pay (and relieve the borrower of any obligation to pay) the principal, interest, and any associated fees that are owed on certain existing SBA 7(a) loans for a six-month period starting on the next payment due date. Loans currently in deferment would be entitled to an additional six months of payment by the SBA beginning with the next payment. Loans made within six months after the enactment of the legislation would also qualify for six months of deferral payments by the SBA. This opportunity does not apply for new "Paycheck Protection Program" loans made under the CARES Act, which was previously discussed here. Borrowers with existing SBA 7(a) loans should contact their current SBA lender to learn more about this opportunity.

O'Neil, Cannon, Hollman, DeJong and Laing remains open and ready to help you. For questions or further information relating to the CARES Act, please speak to your regular OCHDL contact, or the author of this article, attorney Jason Scoby.