



Financing Options for the Forestry Industry

Jed Lechleitner



Jed Lechleitner- Commercial Banking Officer



Commercial Banking since
2005 and with mBank since
2017



Lives in Eagle River, WI
since 2005 along with wife
and 3 children



Grew up in Tomahawk, WI

Loan Programs that will be covered

Paycheck Protection Program (PPP)

Economic Injury Disaster Loan (EIDL)

SBA 7(a) for Equipment Financing

Paycheck Protection Program

- Direct incentive from SBA for small businesses to keep their workers on payroll
- All businesses are eligible
- 2.5X their average monthly payroll from either 2019 or 2020
- Maximum of \$20,800 per employee
- Eligible for forgiveness
- Up to 24 weeks to spend loan on payroll
- Schedule C Borrowers
- Ends May 31, 2021
- Apply through your bank

Paycheck Protection Program

- 1st Draw
 - All businesses are eligible
- 2nd Draw
 - Must prove 25% reduction of revenue in any quarter of 2020 vs. the same quarter in 2019
 - Eligible for second draw once the first draw is spent on eligible expenses
 - Restaurants increase to 3.5X average monthly payroll

Economic Injury Disaster Loan

- SBA loan program designed to meet financial obligations and operating expenses that could have been met had the disaster not occurred
- 3.75% with a 30-year amortization
- Collateral after \$25,000
- Maximum loan of \$500,000
- Program ends on December 31, 2021
- Apply online at: <https://covid19relief.sba.gov/#/>

SBA 7(a) Loans for Equipment Financing



Terms up to 120 months (10 years)

Conventional is capped at 84 months (7 years)



90% Loan Guarantee from SBA

Expires 9/30/21 and reverts to 75% Loan Guarantee



10% Down Payment



No SBA Guarantee Fees



Payments made by SBA for first 3 months (capped at \$9,000/mo)

Questions?

Contact
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