## Small Business Application for PPP Loan

### Loan Eligibility:
- **Employees:** 45
- **Industry:** Gift Store
- **NAICS:** 53220
- **Operation Date:** 1/30/18
- **Annual Revenue:** $799,000

### CARES Act Parameters:
- **Employees:** ≤500 EE (note: accommodations and food services businesses are ≤500 EE per location)
- **Operation Date:** operates before 2/15/20
- **Annual Revenue:** no limit because business qualifies by EE guideline

### Business Expenses:
- **Annual Payroll:** $669,000
  - Salaries & Wages (highest is $85K) $625,000
  - Bonus / Commissions $5,000
  - Dental Insurance $8,000
  - Health Insurance $20,000
  - Life/Std/Ltd $4,000
  - Section 125 $2,000
  - 401K $3,000
  - Vision Insurance $2,000
- **Monthly Mortgage (principal + interest):** $8,500
- **Monthly Utilities:** $4,000

### Qualifying PPP Loan Amount:
- Avg Monthly Payroll (Payroll/12): $55,750
- x 2.5 = qualifying loan amount $139,375
  - lesser of 2.5x monthly payroll or $10mm

### Use of Loan:
- 8-weeks (~2 months): costs incurred from 2/15/20 to 6/30/20
- **Payroll:** $111,500
- **Monthly Mortgage (principal + interest):** $17,000
- **Monthly Utilities:** $8,000

### Qualifying Expenses - Total: $136,500

### Loan Forgiveness:
- **Amount Forgiven (aka "PPP Grant"):** $136,500
  - payroll ≥ 75% of use ($111,500 / $139,375)
- **Amount Converted into a PPP Loan:** $2,875
  - specific requirements exist for loan forgiveness per SBA

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This analysis represents a fictitious entity per SBA guidance and is to be used as an example only. GPEC is not held responsible for the accuracy of the application of CARES Act guidelines. Please talk to your lender for individual details.