North Carolina COVID-19 Rapid Recovery for Small Businesses
What is the NC COVID-19 Rapid Recovery Lending Program?

The North Carolina COVID-19 Rapid Recovery Lending program supports North Carolina small businesses and family farms as they recover from the economic impact of COVID-19. This rapid recovery loan helps small businesses bridge the gap between when crisis strikes and when federal loans, insurance payouts, and other relief funds are approved, or businesses have time to recover.

This is not a grant program.

NC COVID-19 Rapid Recovery loans are not designed to be a singular source of assistance for small businesses. Repayment is expected either from more permanent funding sources or from the future cash flow of the business.
Loan Details

Loans are available for up to $50,000, based on the business’s current revenue. Loan agreements are structured as follows:

- Loan sizes capped at approximately two months of current revenue.
- Six months of no payments, followed by 48 months of principal and interest payments at 5.5% interest.
- There are no prepayment penalties.
- Defaulted loans are subject to collections.

Who is eligible?

- Applicants must be a North Carolina small business affected by COVID-19 (all 100 NC counties are eligible).
- Applicants must have at least one (1) employee, who could be the self-employed owner.
- Start-up businesses that began operations before March 23, 2020 are eligible.
Requirements

- Any individual with greater than 20% ownership in the applying business must personally guarantee the loan.
- Proceeds from the loan may only be used for maintaining or restarting a business.
- The use of loan funds to pay off debts already incurred for qualifying business maintenance or restart purposes may be authorized on a case-by-case basis.
- Borrowers are required to assign the proceeds of future assistance programs, including SBA loans, to the repayment of their Rapid Recovery Loan.

Logistics & Timeline

- Businesses interested in applying should be prepared to complete an online application and provide tax returns, profit and loss statements, and bank statements.
- The partners in this program are committed to moving as fast as possible to assist businesses and they will be in touch with applicants as soon as possible.
- Loans subject to availability of funds.
While there is still much we do not know about COVID-19’s long-term impact, there is one thing we are certain of: **we are all in this together.** We are learning how to adapt and evolve, together, day-by-day.

In response to the unique economic challenges of COVID-19, a consortium of public, private, and nonprofit partners have come together and launched an innovative recovery-lending program to help support entrepreneurs like you and stabilize North Carolina’s small business sector.

Apply for a **NC COVID-19 Rapid Recovery Loan**
Frequently Asked Questions

Application Questions

Q: My business is suffering right now because of COVID-19. Do you have a loan option for me?

Q: Is this associated with the SBA?

Q: How does this relate to SBA loan options?

Q: Can I get both an SBA Loan and a Rapid Recovery Loan?

Q: What are the loan terms?
Business Resources

Many outstanding resources are available across North Carolina to help our state’s small business owners. Below are just a few of the many dedicated organizations that are ready to assist you and your business. Check back as we add more resources.

- Business Link North Carolina (EDPNC)
- North Carolina Small Business and Technology Development Center (SBTDC)
- Small Business Center Network
- U.S. Small Business Administration
- North Carolina Division of Employment Security
Statewide Application Data Summary

- 4,000+ Applications submitted
- All 100 counties represented
- More than $170,700,000 requested
- Average request: $33,186
Distribution of Loan Applications

(Map as of 4/27/20)

Legend:
- 1 to 9
- 10 to 19
- 20 to 49
- 50 to 99
- 100 & Over Applications
RAPID RECOVERY LOANS BY INDUSTRY

AS OF 4/22/20

Accommodation and Food Services: 25%
Retail Trade: 22%
Other Services: 12%
Manufacturing: 9%
Professional... Services: 8%
Administrative and Support and ...: 5%
Arts, Entertainment, and Recreation: 4%
Health Care and...: 4%
All others: 11%