

Date: April 4,2020

To: All Members
State and Local Executive Officers

From: Dean Mon, 2020 Chairman of the Board

RE: Paycheck Protection Program

I want to pass along some very encouraging news from the White House regarding builder eligibility for Paycheck Protection Program (PPP) loans for small business under the CARES Act. It appears thanks to our swift efforts more of you may soon be eligible for the program.

When the U.S. Treasury Department and the Small Business Administration announced the rules for the program this week, there was a question about whether builders, developers and multifamily property managers would be eligible for the loans. NAHB immediately began working closely with officials from the Trump Administration to make sure they understood why the residential construction industry is critical to the national economy and should, therefore, participate in this important small-business lending program.

Thanks to our advocacy efforts, White House officials heard our concerns. They have communicated to our Chief Executive Officer, Jerry Howard, that they are exploring possible solutions in an upcoming update to the regulations governing the program.

Under the PPP loan program, small businesses with fewer than 500 employees can take out loans equal to 2.5 times their average monthly payroll from 2019 with the total capped at \$10 million. For many businesses that meet key conditions on the use of these funds, the loans may be forgiven.

We are excited that the Trump Administration acknowledges our concerns and is open to the idea of expanding the program to make it available to more small businesses in the residential construction industry.

Once again, I feel we have shown you why you are a member of this great organization. We will be sure to keep you informed as this important issue moves forward.