

Main Street Loan Program Winds Down

On November 20, 2020, the U.S. Treasury declined to extend the Main Street lending program and several other liquidity facilities past their initial December 31, 2020, termination date. On December 29, 2020, the Treasury extended Main Street's termination date to January 8, 2021, to allow more time to process and fund loans that were initially submitted to the lender portal on or before December 14, 2020. The Main Street special purpose vehicle will continue to generate commitment letters for accepted loans submitted on or before December 14, 2020, until January 6, 2021, with the lender funding notice due by the sooner of three business days or January 6, 2021, to process payments by January 8, 2021.

The extension to January 8, 2021, does not apply to loans initially submitted after December 14, 2020.

Main Street Program Results

The \$600 billion facility was broken into five programs: three for small to midsize businesses and two for nonprofit organizations. Demand from borrowers has been weak, although borrowing activity almost tripled from \$2.3 billion at the end of September to \$6.3 billion at the end of November. The most recent status report, as of November 30, 2020, indicates that \$6.3 billion has been disbursed to 646 business borrowers.

| Main Street Program Details as of November 30, 2020 | | | |
|---|-----------------|--------------------------|----------------------------|
| Program | Number of Loans | Total Loan Size (\$000s) | Average Loan Size (\$000s) |
| MSELF | 13 | \$985,180 | \$75,783 |
| MSNLF | 255 | \$1,173,437 | \$4,601 |
| MSPLF | 375 | \$4,157,149 | \$11,086 |
| NONLF | 3 | \$8,041 | \$2,680 |
| Total | 646 | \$6,323,807 | |

Conclusion

BKD will continue to follow this developing situation. As with most topics related to COVID-19, changes are being made rapidly. Please note that this information is current as of the date of publication. Visit [BKD's COVID-19 Resource Center](#) to learn more. If you have questions, contact your **BKD Trusted Advisor**™ today.

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