

## Modest Use of Main Street Lending Program Reported as Federal Reserve Continues to Fine Tune Its Features

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**PRACTICES** Finance, Corporate, Asset-Based Lending

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A Congressional Panel overseeing the Main Street Lending Program (the “Program”) has indicated that its utilization to date dwarfs the lending capacity of the Program. As of mid-August, eligible lenders participating in the Program had issued \$496.8 million in loans, backed by \$472 million in Federal Reserve loan purchases. This level of utilization reflected only 0.07% of lending capacity for the \$600 billion Federal COVID related loan assistance program. A subsequent update provided by the Fed’s Board of Governors on September 7, 2020 indicated \$1.07 billion in loans made by the Federal Reserve to the MSLP Special Purpose Vehicle to permit loan purchases, illustrating a marked increase in activity from mid-August but still not an overall robust utilization of the Program, which was launched on July 6, 2020.

Read the full article [here](#).