

Javier Martinez in CNBC.com: These Restrictions on Coronavirus Loans May Surprise Business Owners

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PRACTICES Finance

Haynes Boone Partner [Javier Martinez](#) was quoted in *CNBC.com* about how loans made through the Economic Injury Disaster Loan (EIDL) program, which was recently expanded by lawmakers, come with restrictions that may catch some entrepreneurs by surprise.

Here is an excerpt:

EIDL funds can also only be used as “working capital” related to economic injury after Jan. 31. They can’t be used as capital for physical improvements, for example, according to Javier Martinez, a partner at law firm Haynes Boone based in Dallas.

For example, a restaurant hoping to use funds for an expansion or improvement to a building — patios, drive-through windows or plexiglass between booths to facilitate social distancing, let’s say — wouldn’t be able to do so, Martinez said.

Using certain collateral may also breach any existing lending arrangements business owners have, Martinez said.

To read the full article, click [here](#).