The following Eligibility Statement is submitted as an addendum to the

Payroll Protection Program Borrower Application of

**[Insert Name of Applicant]**

ELIGIBILITY STATEMENT

This application is made on behalf of a housing **[cooperative/condominium]** that employs building services employees who have been deemed essential workers by the State of New York during the current Coronavirus pandemic. We interpret the CARES Act, and specifically the Payroll Protection Program, to be intended to apply to and benefit the Applicant and its employees. 13 CFR 120.110(c) states that “passive businesses owned by developers and landlords *that do not actively use or occupy* the assets acquired or improved with the loan proceeds” [emphasis added] are ineligible. This statement does not describe the Applicant because its purpose is to provide homes to its **[shareholders/unit owners]** and the property it owns is actively used by the Applicant for this purpose. The Applicant acknowledges that there are certain statements in Subpart B Section 7(A) of the Office of Financial Assistance, U.S. Small Business Administration, Lender and Development Company Loan Program publication of Standard Operating Procedures (SOP) 50 10 5(F) that appear to contradict that interpretation. We believe that to be an error in applying the statute and rules and request that SBA so rule. To the extent that the unique nature of **[cooperative/condominium]** housing – that unlike other housing it is not operated for the primary purpose of collecting rent from other businesses or tenants but to actively provide housing to its owners – was not considered in the drafting of the SOP, we request that contradictory SOP ineligibility guidance be disregarded. To the extent that the policy set forth in the SOP does not adequately address the unique circumstances regarding the nature of Applicant’s business, an exception to policy is requested as authorized by the “Purpose of This Subpart” introduction to the Section 7(A) Business Loan Programs section of the SOP. The certification of eligibility contained in the application form is qualified in its entirety by the foregoing.