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Banco Popular Provides \$1.4 Billion in Paycheck Protection Program Loans, Including \$29 Million in USVI

Business / **Published On July 08, 2020 10:10 PM /**

Staff Consortium **July 08, 2020**

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Popular announced today that as of June 30, it had originated \$928 million in loans during the second round of the Small Business Administration (SBA) Paycheck Protection Program (PPP). This amount, along with the \$496 million closed in the first round of the PPP, results in \$1.424 billion in loans made under the program at such date. Popular generated \$1.18 billion in Puerto Rico, \$215 million in the mainland United States, and \$29 million in the U.S. Virgin Islands, the bank said.

Popular said it processed a total of 28,000 loans among its three markets, mostly for small businesses. Of all loans generated, 73% were for less than \$25,000 and 21% were between \$25,000 and \$150,000. Furthermore, 26,000 of these loans were granted to companies in Puerto

Rico, representing 69% of the total loans approved under this program in Puerto Rico. The average loan size was \$45,000 for Puerto Rico and the U.S. Virgin Islands and \$152,000 for the mainland United States.

“Aware of the importance of these grants for businesses, we focused all available resources to process as many cases as possible. The total number of loans granted shows Popular's commitment to its clients and to the health of the economy in the markets in which we operate,” said Ignacio Alvarez, Popular's president and chief executive officer.

The companies supported by these funds employ 278,000 persons. Of this total, 254,000 are employed in Puerto Rico, 19,000 in the United States and 5,000 in the U.S. Virgin Islands.

“We are very satisfied that we continue supporting businesses who need it. The economy of Puerto Rico, like that of the other markets in which we operate, depends greatly on small and middle size businesses. Keeping them operating is key to moving forward given the impact of this pandemic,” Alvarez concluded.

Popular said it received 55% of PPP requests through an online platform, which streamlined the process, and closed 97% of cases digitally. Popular indicated that it will continue to process PPP loans until the program expires and that it is now working on the second part of the process, loan forgiveness, which will be carried out digitally. Information about this phase will be released to customers as soon as it starts.

The PPP was designed to mitigate the economic damage suffered by businesses because of the COVID-19 pandemic. This \$659 billion business aid program is part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), legislation promoted by the United States Congress.