

B.R. Knez Construction, Inc.

A Successful Experience Amid one of the Biggest Economic Crises

B.R. Knez Construction, Inc. located in Concord, Ohio was established in 1988 by Founder and President, Bo Knez, as a residential builder in Lake County and currently specializes in both commercial and residential real estate development in all phases. Up until recently B.R. Knez Construction was a thriving business. As with many small businesses in the United States, the COVID-19 crisis has negatively impacted their financial sustainability, and the many challenges experienced by the small business community have been unprecedented. B.R. Knez Construction is no exception. Before the COVID-19 pandemic, the business had 23 employees. In just a matter of weeks after the shutdowns, they had to reduce their staff to 18 employees.

Fortunately, various loan programs have been introduced quickly to help those small business owners greatly affected by the COVID-19 pandemic. Both the SBA Economic Injury Disaster Loan and the Paycheck Protection Program were made available to help small business owners through these trying times. The Paycheck Protection Program backed by the SBA has become one of the more popular loans available to small business owners and is designed to provide a direct incentive for small businesses to keep their workers on the payroll while offering loan forgiveness as long as certain requirements are met.

Eryn Medved, Accounting Manager for B.R. Knez Construction, Inc., wasted no time in contacting the Ohio Small Business Development Center (SBDC) at Lakeland Community College for help on understanding the different loan products available for small business owners during this economic crisis. Cathy Walsh, Director and Business Advisor, for the Ohio SBDC at Lakeland was able to guide Eryn on the various loan programs and explained what financial items would be required. According to Eryn, "The SBDC at Lakeland provided valuable insight on the Paycheck Protection Program and the calculation for funding. They also provided timely updates on the constantly changing program and helped set expectations as to the overall process and when funding was to occur."

Since applying for the Paycheck Protection Program, B.R. Knez Construction, Inc. loan has been approved and funded for \$359,500, the amount requested. Gillian Hall, Esq., VP Operations and General Counsel for B.R. Knez Construction, Inc. describes her experience:

"Our application process was seamless. We received an overview/checklist from Erie Bank the week of the 30th (March) explaining the items that would be required with our submittal. We prepared all requested items and we were ready to submit our application on April 3. Erie Bank quickly reviewed our application and requested supplemental information, which we turned right around. We received approval on April 5, and our account was funded on April 14. "

Since successfully receiving funds through the Paycheck Protection Program, the days are looking brighter for everyone at B.R. Knez Construction, Inc. As Gillian Hall happily points out,

“We are relieved to have payroll covered for the next two months. As a result, we are able to prioritize any incoming cashflow to other payables.”

Written by: Angela Clements Cattell at the Ohio SBDC at Lakeland C.C.