



# THE IMPACT OF COVID-19

---

## CORONAVIRUS UPDATES FOR AMERICA'S HOTEL OWNERS

### RECOMMENDATIONS FOR FINANCIAL RELIEF DURING COVID-19

#### Suggested Ideas for Financial Relief that May Help Your Property

##### Vendors

- Request a one- to six-month delay on payment without interest or penalties.
- For vendors that bill on a per-room basis, request a temporary bill according to occupancy. Reach out to national vendors.
- Contact your local utilities for forbearance or relief.
- Use your relationships to help you in these trying times.

##### OTAs

- Request a waiver or decrease in commission for the next 90 days.
- Request a late payment without interest and penalty.
- Use your relationships to help you in these trying times.

##### Franchisors

- Request late payments without interest or penalties.
- Request fee reduction and waivers for all fees.
- Use your relationships to help you in these trying times.

##### Lenders

- Provide information showing your revenue has declined/reservation cancelled.
- Request to adjust the interest rate based on the federal rate cuts.
- Request a three-month delay on payments without interest and penalty. If not possible, ask for interest-only payments on your mortgage and based on availability, additional working capital in the form of a bridge loan.
- Refinance to take advantage of the lower interest rates.
- Use your relationships to help you in these trying times.

##### Taxes

- Be on alert for changes enacted by local jurisdictions regarding occupancy taxes and other tax measures to benefit the lodging sector.
- Contact your local government and request a deferral on your property tax bill and reduction in local taxes.
- Use your relationships to help you in these trying times.

##### Small Business Administration (SBA) Loans

- The SBA is offering, in designated states and territories, low-interest federal disaster loans for small businesses in need of working capital and suffering substantial economic injury. These loans can be used to pay accounts payable, payroll, fixed debts, and other bills that cannot be paid because of the Coronavirus impact.
- The loans will carry an interest rate of 3.75% for small businesses without credit available elsewhere.
- Businesses with credit available elsewhere are *not* eligible. The terms are up to a maximum of 30 years and are determined on a case-by-case basis, based upon each borrower's ability to repay.
- More information can be found here: <https://bit.ly/2Udty0l>.

##### Other

- Contact city and state officials, including your Mayor, City Council, Governor's office, Senate and House, to see what financial assistance they may have available.
- Know your situation—project your expenses for the next 90 days.
- Discontinue breakfast or switch to grab-and-go.
- Cancel in-room cable/HBO/internet.
- Close your swimming pool temporarily.
- Cut back on waste management pick to a per-needed basis.
- Cut back on housekeeping for stayover rooms.
- Provided limited toiletries in each room.
- Turn off HVACs in units not occupied.
- For independent hoteliers: Utilize night windows for customer service.
- Cut back on landscaping to an as-needed basis.
- Ensure your staff is being productive by completing preventative maintenance or other tasks, not possible during higher occupancy periods.
- Contact guests in advance of their arrival to ensure they are still planning to travel.
- If applicable, eliminate your hotel's shuttle service.

AAHOA does not provide business or legal advice or representation to anyone. AAHOA goes to great lengths to ensure the information it provides is accurate and useful, but strongly recommends that all members consult a lawyer and obtain professional advice and representation that is appropriate to his/her particular situation.

FOR MORE INFORMATION | [COVID19@AAHOA.COM](mailto:COVID19@AAHOA.COM) | [WWW.AAHOA.COM/COVID-19](http://WWW.AAHOA.COM/COVID-19) | 404.816.5759