

How to Approach A Landlord or Creditor for Assistance

When asking someone you owe money to for help, the key is to have objective data available and to *ask nicely* but firmly. Remember, COVID-19 has debilitated the entire economy. We are all in this together and most creditors want you to stay in business, because without you, they are out of business too.

Documents to Provide

- Most recent federal tax income return or Schedule C (for single member LLCs)
- A projection showing your sources of cash and uses of cash during the forbearance period
- A projection showing how the deferred payments will be repaid
- A narrative explaining how the deferral will help you overcome this crisis

Communication Strategy

- Pick up the phone or better yet have a video conference. While an email or text is fine to provide initial information, having an actual discussion is often the difference between a “yes” and a “no”
- Provide the documents ahead of time *with the narrative* and solicit questions back: that way, when you have your discussion you will be prepared to answer the pressing questions

Ask Your Professionals for Help

- Ask your accountant to help run numbers. Then go through them carefully and play out different scenarios.
- Ask your lawyer to review your lease or financing documents to determine what rights you have under the unique issues presented by COVID-19, such as governmental closure of businesses.
- Ask your financial advisors about liquidity options, such as government programs, using life insurance as a financing tool, etc.

In sum, building trust is important to any payment deferral discussion. Explaining why it is in the creditor’s best interest to help will go a long way to getting what you need: time.