

Disaster Relief Resources from the U.S. Small Business Administration

The U.S. Small Business Administration (SBA) provides low-interest disaster loans to businesses of all sizes, private non-profit organizations (including faith-based organizations), homeowners, and renters. SBA disaster loans can be used to repair or replace real estate, personal property, machinery and equipment, and inventory and business assets damaged or destroyed in a declared disaster.

You may apply for your disaster loan application electronically. Downloadable application forms are available at: [Apply for Assistance](#). You may also apply in person at any Disaster Recovery Center and receive personal, one-on-one help from an SBA representative. For information or to find a location near you, you can contact the SBA Customer Service Center. Call 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail disastercustomerservice@sba.gov.

The application filing deadline for physical damage is **November 9, 2017**. The application filing deadline for economic injury is **June 11, 2018**.

For Businesses of All Sizes

If your business or private, nonprofit organization has suffered physical damage or your small business or private, nonprofit organization of any size has sustained economic injury after a disaster, you may be eligible for financial assistance from the SBA. If your business—regardless of size—is located in the declared disaster area, you may apply for a long-term, low-interest loan to repair or replace damaged property.

Even if your property was not damaged and you are a small business owner or a private, nonprofit organization, you may apply for a working capital loan from the SBA to relieve the economic injury caused by the disaster.

Physical Disaster Loans

Businesses of all sizes and private, nonprofit organizations may apply for a Physical Disaster Loan of up to \$2 million to repair or replace damaged real estate, equipment, inventory and fixtures. The loan may be increased by as much as 20 percent of the total amount of physical loss, as verified by SBA, to protect the property against future disasters of the same type. These loans will cover uninsured or under-insured losses.

Economic Injury Disaster Loans

Small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private, nonprofit organizations of all sizes suffering substantial economic injury may be eligible for an Economic Injury Disaster Loan of up to \$2 million to meet necessary financial obligations – expenses the business would have paid if the disaster had not occurred.

These loans provide the necessary working capital to help small businesses survive until normal operations resume after a disaster. The loan amount will be based on actual economic injury and the company's financial needs, regardless of whether the business suffered any property damage.

Interest Rates

The interest rate on both these loans will not exceed 4 percent if you do not have credit available elsewhere. Repayment can be up to 30 years, depending on the business's ability to repay the loan. For businesses and nonprofit organizations with credit available elsewhere, the interest rate will not exceed 8 percent. SBA determines whether the applicant has credit available elsewhere.

For Homeowners and Renters

As a homeowner, renter and/or personal-property owner, you may apply to the SBA for a loan to help you recover from a disaster. Renters and homeowners alike may borrow up to \$40,000 to repair or replace clothing, furniture, cars or appliances damaged or destroyed in the disaster. Homeowners may apply for up to \$200,000 to repair or replace their primary residence to its pre-disaster condition.

The loans may not be used to upgrade homes or make additions unless as required by local building authority/code. Loans may be increased up to 20 percent of the total amount of physical loss, as verified by SBA, to make improvements that lessen the risk of property damage by future disasters of the same kind.

Secondary homes or vacation properties are not eligible for these loans. However, qualified rental properties may be eligible for assistance under the [business loan program](#).

Any proceeds from insurance coverage on your property or home will be deducted from the total damage to the property to determine the loan amount you are eligible for. SBA is not permitted to duplicate any benefits. Do not miss the filing deadline by waiting for an insurance settlement. Final insurance information can be added after a settlement is made. SBA can approve a loan for the total replacement cost up to our lending limits. Once your insurance settles, if there is a duplication of benefits, SBA will apply those funds to the balance of your disaster loan.

For applicants unable to obtain credit elsewhere the interest rate will not exceed 4 percent. For those who can obtain credit elsewhere, the interest rate will not exceed 8 percent. SBA determines whether an applicant has credit available elsewhere. SBA offers loans with long-term repayments in many cases up to 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.

For Associations

Homeowner Associations (HOA), Planned Unit Developments (PUD), co-ops, condominium and other common interest developments may qualify for SBA disaster loans of up to \$2 million to repair or replace disaster-damaged common elements not fully covered by insurance or other disaster recoveries. The Association may borrow funds from SBA to cover insurance deductibles or shortages in an existing maintenance fund. If the development will not be repaired or rebuilt, the Association is not eligible for any SBA disaster assistance. However, unit owners may still apply to SBA for assistance.

If the Association's damage to the common area exceeds SBA's \$2 million lending limit, the Association may pass a onetime assessment against the unit owners to cover the remaining costs in excess of the Association's SBA loan. The Association may also pass a onetime assessment to the unit owners to cover all the damages in lieu of applying to SBA for a loan.

Before SBA will disburse any loan funds, SBA must have confirmation that all the money necessary to complete the repairs is available. Therefore, SBA must have documentation supporting the total project cost of the repairs and the amount of anticipated insurance recoveries. The damages to the common areas must be clearly separated from the damage to the individual units to establish eligibility.

SBA disaster loans must be used only to pay for disaster-related repairs. They cannot be used to pay for deferred maintenance items or any upgrades to the property, unless such upgrades are code required.

Additional fact sheets on loans for Military Economic Injury and Homeowner Association Unit Owners can be found at <https://disasterloan.sba.gov/ela/Information/DisasterLoanFactSheets>.