

Fact Sheet: SBA Provides Low-Interest Loans to Businesses, Nonprofits, Homeowners, Renters

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What is an SBA disaster loan?

U.S. Small Business Administration disaster loans are the primary source of federal long-term disaster-recovery funds for loss and damage not fully covered by insurance or other compensation.

SBA is working in conjunction with North Carolina Emergency Management and FEMA to help business owners and residents recover, as much as possible, from the recent disasters.

Who is eligible for SBA low-interest loans?

When a federal disaster is declared, the SBA is authorized to offer low-interest loans to businesses of all sizes (including landlords) and to individual homeowners, renters, and private nonprofit organizations that have sustained damage in a disaster.

What's the most common misunderstanding about SBA loans?

The most common misunderstanding about an SBA loan is the assumption that SBA disaster loans are only for businesses. While SBA offers loans to businesses of all sizes, low-interest loans are always available to individual homeowners, renters, and to private nonprofits alike.



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Page 1 of 4

When should you apply?

Residents and business owners should apply right away with SBA as part of the overall federal disaster recovery process and not wait for any insurance claims to settle.

Why should you apply?

After registering with FEMA, survivors referred to SBA are urged to submit disaster-loan applications even if they do not want to take out a loan. There is no obligation to accept if offered.

The SBA loan application may trigger additional grant assistance through FEMA's Other Needs Assistance program for homeowners and renters. The state administers the grant funding.

Some of these additional FEMA grants could include reimbursement for lost personal property, vehicle repair or replacement, and moving and storage expenses.

What is available as part of the SBA low-interest loan programs?

Eligible homeowners may borrow up to \$200,000 for home repair or replacement of primary residences and eligible homeowners and renters up to \$40,000 to replace disaster-damaged or destroyed personal property, including automobiles.

Businesses of all sizes can qualify for up to \$2 million in low-interest loans to help cover physical damages. Small businesses and most private nonprofits suffering economic impact as a direct result of the disaster can apply for working capital under SBA's Economic Injury Disaster Loan (EIDL) program.



The loan amount can be up to \$2 million for any combination of property damage or working capital.

What are the deadlines to apply?

North Carolina survivors of the April tornado and severe storm have until July 9, 2018, to apply for SBA loans. Eligible businesses applying for only the EIDL program have until Feb. 8, 2019 to apply.

Disaster survivors who are notified by the SBA that they may be eligible for low-interest disaster loans should work directly with the SBA to complete the application.

How do I register for assistance?

Disaster survivors are urged to call 800-621-FEMA (3362) to register by phone. They may also go into a Disaster Recovery Center to register with FEMA where they also may talk with SBA representatives. Register online at www.DisasterAssistance.gov or by phone at 800-621-3362. TTY users should call 800-462-7585, with Video Relay Service survivors calling 800-621-3362.

What happens after I register?

Most survivors who register with FEMA are automatically referred to the SBA. They will then be contacted directly by SBA or via an automated call back.

What are the loan terms?



Interest rates for SBA disaster loans can be as low as 1.813 percent for homeowners and renters, 3.58 percent for businesses and 2.5 percent for private nonprofit organizations, with terms up to 30 years.

Where do I get specific information about the SBA process?

If you have questions about SBA or the process, or need help to complete the SBA application, visit a Disaster Recovery Center or contact SBA's Customer Service Center by:

- Calling 800-659-2955;
- Emailing disastercustomerservice@sba.gov

For more information on tornado recovery in North Carolina, visit www.ncdps.gov and follow N.C. Emergency Management on Facebook and on Twitter [@ncemergency](https://twitter.com/ncemergency). You can also find more information – including hours and locations for Disaster Recovery Centers – on the ReadyNC mobile app.

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