



News Release

PRESS OFFICE

Release Date: March 28, 2006

Release Number: 06-21

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SBA Tops \$7 Billion in Disaster Loan Approvals Following 2005 Hurricanes

More Than 101,000 Loans Approved for Victims

WASHINGTON – More than 101,000 victims of last fall’s Gulf Coast hurricanes have been approved for more than \$7 billion in long-term recovery and rebuilding loans, the largest natural disaster response in the agency’s 53-year history. The \$7 billion in approved loans is a record for the agency.

SBA offers low-interest, taxpayer-backed loans to homeowners, renters and businesses in its disaster loan assistance program. More than 17,000 disaster loans have been approved for businesses totaling \$1.6 billion. Homeowners and renters have been approved for more than 84,600 loans totaling \$5.4 billion.

“In the seven months since Hurricanes Katrina, Wilma and Rita struck the Gulf Coast and Florida, the SBA has mobilized like never before to help the victims recover,” said SBA Administrator Hector V. Barreto. “Thousands of dedicated civil servants are helping with the response. The SBA has modernized its processing system and made numerous adjustments and accommodations to adapt to the unique challenges presented by last year’s devastating storms. As a result, we’ve approved more disaster loans in a shorter period of time than ever before.”

Overall, the SBA has conducted damage inspections on 98 percent of the damaged properties and has processed 87.4 percent of the total loan applications submitted by businesses. More than 321,000 applications have been processed since Hurricane Katrina struck in late August. Louisiana has the highest amount in approved loans at \$4.5 billion, followed by Mississippi, with \$2.0 billion. Approvals in Florida total \$242 million, followed by Texas with \$201 million and Alabama with \$101 million.

“We are very eager to put the money into the hands of the people in the disaster areas,” said Barreto. “We strongly urge applicants whose loans have been approved, and are ready to start the rebuilding process, to contact our Customer Service Center at 1-800-659-2955 so we can schedule their loan closings and they can put the money to work.”

Victims of Hurricanes Katrina and Rita in Louisiana, Mississippi and Texas have until April 10 to apply for a disaster loan to repair or rebuild physical damage. The deadlines vary for small businesses that suffered economic injury, depending on which hurricane caused the injury. For Katrina, it’s May 29; for Rita, it’s June 26, and for Wilma it’s July 24. Victims may begin the application process by registering at 1-800-621-FEMA.

For complete details about the SBA’s disaster assistance program following the hurricanes, please visit: http://www.sba.gov/disaster_recov/hurricanes.