Disaster Assistance
For Homeowners & Renters

Rebuilding your home after a declared disaster could be easier with a long-term, low-interest loan from the U.S. Small Business Administration.

If your home is damaged in a declared disaster area, you may be eligible for a loan from SBA. Homeowners and renters may apply for these loans to pay recovery costs not covered by insurance.

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 disaster damage to real estate and/or leasehold improvements, 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 our 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.

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 more information about SBA disaster assistance for businesses, call toll-free 1-800-659-2955.

Frequently Asked Questions
How much can I borrow?
The amount the SBA will lend depends on the cost of repairing or replacing your home and/or personal property, minus any insurance settlements or grants. SBA will send an inspector to estimate the cost of your damage once you have completed and returned your loan application.

Can the SBA refinance my mortgage?
The SBA can refinance all or part of a previous mortgage in some cases when the applicant does not have credit available elsewhere, has suffered substantial disaster damage not covered by insurance, and intends to repair the damage. SBA considers refinancing when processing each application.

How soon before I know I've been approved?

The SBA disaster assistance program helps with long-term, low-interest rebuilding and repair of damaged property, unlike immediate emergency relief provided by relief organizations. To make a loan, we must know the repair cost, be assured that you can repay the loan, and take reasonable safeguards to make sure the loan is repaid. The sooner you return the completed loan application, the sooner the SBA can process the application. The SBA tries to make a decision on each application within 10 days. Make sure the application is complete; missing information is a major cause for delays.

What information must I submit for a home and/or personal property loan?
You submit the completed loan application and a signed and dated IRS form 8821 giving permission for the IRS to provide the SBA your tax return information.

Is collateral required for these loans?
Loans over $14,000 must be secured to the extent possible. The SBA won't decline a loan if you don't have enough collateral, but will ask for whatever collateral is available. That usually consists of a first or second mortgage on the damaged real estate.

Should I wait for my insurance settlement before I file my loan application?
No. Don't miss the filing deadline by waiting for an insurance settlement. Final insurance information can be added after a settlement is made. The 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, we will apply those funds to the balance of your disaster loan.

I'm a farmer, and my barns, fence and some of my crops were damaged, as well as my home. Can I apply to the SBA for assistance?
You may apply for an SBA disaster loan to cover the damage to your home and its contents only. SBA cannot cover agriculture losses. Contact the U.S. Department of Agriculture for recovery assistance for your farm at www.usda.gov.

Essential Information
Residents and business owners can begin the disaster application process by registering online with the Federal Emergency Management Agency at www.FEMA.gov, or by calling FEMA at 1-800-621-FEMA (3362). For more information about SBA disaster assistance plus disaster preparedness for individuals and businesses visit: **www.sba.gov.**

For more information go to www.ready.gov or call 1-800-BE-READY to order or download free sample emergency plans, business preparedness checklists and templates providing detailed business continuity and preparedness information.