



# Three Steps to SBA Disaster Assistance Loans



If your **home or business** has been damaged or destroyed by a federally declared disaster, you may be eligible for an SBA disaster assistance loan. These long-term, low-interest rate loans are available to businesses of all sizes, private nonprofit organizations, homeowners, and renters to repair or replace uninsured/underinsured disaster damaged property.



## 1: Apply



Begin by first registering with FEMA at [disasterassistance.gov](https://disasterassistance.gov) or by calling **(800) 621-FEMA (3362)**.

Then apply at [disasterloanassistance.sba.gov](https://disasterloanassistance.sba.gov), in person at any local disaster center, or by calling our Customer Service Center at (800) 659-2955 to request an application by mail. If you are deaf, hard of hearing, or have a speech disability, please dial **7-1-1** to access telecommunications relay services.

There is no need to wait for insurance claims to settle or to receive FEMA grants or contractor estimates before applying. You are under no obligation to accept the loan if approved.

## 2: Application Processed



Application packages and required documents (including credit and income information) will be reviewed for completeness. Eligible applications are sent to SBA's loss verification team and property inspections may be necessary to decide the total physical damage.

A loan officer takes over your case to work with you to receive any additional information, review insurance or other recoveries, and recommend a loan amount.

We strive to make loan determinations within 2–3 weeks after receiving complete application packages.

## 3: Loan Closure & Disbursement



Loan closing documents are prepared for your signature. After receipt of the signed documents, an initial disbursement, up to the following amounts, will be made within 5 business days: up to \$25,000 for physical damage; up to \$25,000 for economic injury (working capital), which can be in addition to the physical damage disbursement for eligible businesses.

A case manager will work with you to answer questions and help you meet all loan conditions. The case manager schedules the disbursement of any remaining loan amount.

Loan may be increased up to 20% after closing due to changing circumstances, such as unexpected repair costs or if you receive additional insurance proceeds for the same purposes.

Compare the various disaster assistance loans in the following chart to select the one that fits your situation.

	BUSINESSES & NONPROFITS	HOMEOWNERS & RENTERS
<b>Physical Damage Disaster Loans</b>	Repair or replace damaged or destroyed real estate, machinery and equipment, inventory, and other business assets. <b>Loans up to \$2 million.</b>	Homeowners may use loan proceeds to repair or replace a primary residence to its pre-disaster condition. <b>Loans up to \$200,000.</b>
<b>Damaged Personal Property Loans</b>	N/A	Homeowners or renters may use loan proceeds to repair or replace furniture, appliances, vehicles, and/or other personal property. <b>Loans up to \$40,000.</b>
<b>Maximum Loan Amount</b>	The maximum loan for any combination of property damage and/or economic injury is <b>\$2 million.</b>	The maximum loan for any combination of real and personal property damage, voluntary mitigation measures, refinancing, and contractor malfeasance (wrongdoing or misconduct) is <b>\$840,000.</b>
<b>Can Loans Be Used to Mitigate Against Future Damage?</b>	Yes; loans can be increased by up to 20 percent of verified physical damages to add approved mitigation measures.	Yes; loans can be increased by up to 20 percent of verified physical damages to add approved mitigation measures to a homeowner's primary residence.
<b>Interest Rates</b>	Low interest rates are fixed for the entire loan term and are set based on the date the disaster occurred. Visit <a href="http://www.disasterloanassistance.sba.gov/ela">http://www.disasterloanassistance.sba.gov/ela</a> for current interest rates	Low interest rates are fixed for the entire loan term and are set based on the date the disaster occurred. Visit <a href="http://www.disasterloanassistance.sba.gov/ela">http://www.disasterloanassistance.sba.gov/ela</a> for current interest rates.
<b>Maximum Loan Term</b>	Up to 30 years based upon repayment ability and SBA policy. There are no prepayment penalties.	Up to 30 years based upon repayment ability and SBA policy. There are no prepayment penalties.

For required documents, go to <https://disasterloanassistance.sba.gov/ela/s/article/Paper-Forms>

## Additional Facts About Applying

Loans may be used for insurance deductibles and required building code upgrades not covered by insurance or for relocation. It is not necessary to submit the description of upgrades and cost estimates with the application. We may refer you to FEMA's Other Needs Assistance program if you are denied an SBA disaster assistance loan.

## Rebuilding Stronger is Within Reach

Consider making mitigation building improvements to better protect your home, business, or to save lives during future disasters. You can increase disaster assistance loans up to 20 percent of the verified physical damage amount to make improvements. Generally, you have two years after loan approval to request an increase for higher building costs, code-related upgrades or other mitigation measures. The SBA must approve the mitigation measures before loan increases.

**For more information or to find a local disaster center, contact our Customer Service Center at (800) 659-2955 or dial (TTY) 7-1-1.**



U.S. Small Business  
Administration

**DISASTER ASSISTANCE**

Businesses ■ Homeowners ■ Renters ■ Nonprofits

All SBA programs and services are extended to the public on a nondiscriminatory basis.  
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