



## U. S. SMALL BUSINESS ADMINISTRATION FACT SHEET - DISASTER LOANS

### TEXAS Declaration #14675 & #14676

(Disaster: TX-00465)

#### Incident: SEVERE STORMS, TORNADOES & FLOODING

occurring: March 7, 2016 & continuing

in the Texas counties of: **Jasper, Newton & Orange;**

for economic injury only in the contiguous Texas counties of: **Angelina, Hardin, Jefferson, Sabine,  
San Augustine & Tyler;**

and for economic injury only in the contiguous Louisiana parishes of: **Beauregard, Calcasieu, Cameron,  
Sabine & Vernon**

#### Application Filing Deadlines:

Physical Damage: May 18, 2016

Economic Injury: December 19, 2016

If you are located in a declared disaster area, you may be eligible for financial assistance from the U. S. Small Business Administration (SBA).

#### What Types of Disaster Loans are Available?

- Business Physical Disaster Loans – Loans to businesses to repair or replace disaster-damaged property owned by the business, including real estate, inventories, supplies, machinery and equipment. Businesses of any size are eligible. Private, non-profit organizations such as charities, churches, private universities, etc., are also eligible.
- Economic Injury Disaster Loans (EIDL) – Working capital loans to help small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period.
- Home Disaster Loans – Loans to homeowners or renters to repair or replace disaster-damaged real estate and personal property, including automobiles.

#### What are the Credit Requirements?

- Credit History – Applicants must have a credit history acceptable to SBA.
- Repayment – Applicants must show the ability to repay all loans.
- Collateral – Collateral is required for physical loss loans over \$25,000 and all EIDL loans over \$25,000. SBA takes real estate as collateral when it is available. SBA will not decline a loan for lack of collateral, but requires you to pledge what is available.

#### What are the Interest Rates?

By law, the interest rates depend on whether each applicant has Credit Available Elsewhere. An applicant does not have Credit Available Elsewhere when SBA determines the applicant does not have sufficient funds or other resources, or the ability to borrow from non-government sources, to provide for its own disaster recovery. An applicant, which SBA determines to have the ability to provide for his or her own recovery is deemed to have Credit Available Elsewhere. Interest rates are fixed for the term of the loan. The interest rates applicable for this disaster are:

	No Credit Available Elsewhere	Credit Available Elsewhere
Business Loans	4.000%	6.250%
Non-Profit Organization Loans	2.625%	2.625%
Economic Injury Loans		
Businesses and Small Agricultural Cooperatives	4.000%	N/A
Non-Profit Organizations	2.625%	N/A
Home Loans	1.813%	3.625%

#### What are Loan Terms?

The law authorizes loan terms up to a maximum of 30 years. However, the law restricts businesses with credit available elsewhere to a maximum 7-year term. SBA sets the installment payment amount and corresponding maturity based upon each borrower's ability to repay.



## GETTING DISASTER HELP FROM SBA

### *WHAT YOU NEED TO KNOW*

- ◆ SBA offers low-interest disaster loans to **businesses of all sizes, most private nonprofit organizations, homeowners and renters.**
- ◆ Businesses may borrow **up to \$2 million** for any combination of property damage or economic injury.
- ◆ SBA offers low-interest working capital loans (called **Economic Injury Disaster Loans**) to small businesses, small businesses engaged in aquaculture and most private nonprofit organizations of all sizes having difficulty meeting obligations as a result of the disaster.
- ◆ If you are a **homeowner or renter**, FEMA may refer you to SBA. SBA disaster loans are the primary source of money to pay for repair or replacement costs not fully covered by insurance or other compensation.
- ◆ Homeowners may borrow **up to \$200,000** to repair or replace their primary residence.
- ◆ Homeowners and renters may borrow **up to \$40,000** to replace personal property.

### *WHAT YOU NEED TO DO*

- ◆ Begin by registering with FEMA, if you haven't already done so, call (800) 621-3362.
- ◆ **Homeowners and renters should submit their SBA disaster loan application, even if they are not sure if they will need or want a loan. If SBA cannot approve your application, in most cases they refer you to FEMA's Other Needs Assistance (ONA) program for possible additional assistance.**

### *THREE WAYS TO APPLY TO SBA*

#### *After you register with FEMA*

- ◆ Apply online using the Electronic Loan Application (ELA) via SBA's secure website at: <https://disasterloan.sba.gov/ela>.
- ◆ Apply in person at any Disaster Recovery Center and receive personal, one-on-one help from an SBA representative. For additional information or to find a location near you visit our website at: <http://www.sba.gov/disaster> or call SBA at **(800) 659-2955**. Individuals who are deaf or hard-of-hearing may call (800) 877-8339.
- ◆ Apply by mail: complete a paper application and mail it to SBA at: 14925 Kingsport Rd., Ft. Worth, TX 76155-2243.





U. S. Small Business Administration

## OBTENIENDO AYUDA DE DESASTRES DE SBA

### *LO QUE USTED DEBE SABER*

- ◆ Si usted es un **dueño de hogar** o **inquilino**, FEMA lo puede referir con SBA. Préstamos para desastre de SBA son la fuente principal de dinero para pagar por los costos de reparación o reemplazo por **daños** que no estuvieron cubiertos por un seguro u otra compensación.
- ◆ SBA ofrece préstamos a bajos intereses a **dueños de hogares, inquilinos, negocios de todos tamaños y organizaciones privadas sin fines de lucro**.
- ◆ Los dueños de hogares pueden recibir préstamos de **hasta \$200,000** para reparar o reemplazar su residencia principal.
- ◆ Los dueños de hogar e inquilinos pueden recibir préstamos de **hasta \$40,000** para reemplazar propiedad personal.
- ◆ Los negocios pueden pedir prestado **hasta \$2 millones** para cualquier combinación de los daños materiales o económicos.
- ◆ SBA ofrece préstamos para capital de trabajo a bajos intereses (llamados **Préstamos para Perdidas Económicas**) a los pequeños negocios, los pequeños negocios dedicados a la acuicultura y la mayoría de las organizaciones privadas, sin fines de lucro de todos los tamaños que tienen dificultades para cumplir las obligaciones como consecuencia del desastre.

### *LO QUE DEBE HACER*

- ◆ Comience por inscribirse con FEMA, si no lo ha hecho, llame al (800) 621-3362.
- ◆ **Los dueños de hogares e inquilinos deben enviar su solicitud de préstamo por desastre a SBA, incluso si no están seguros si van a necesitar o querer un préstamo. Si SBA no puede aprobar su solicitud de préstamo, en la mayoría de los casos, estos serán referidos al programa de FEMA's Other Needs Assistance (ONA) para obtener posible ayuda adicional.**

### *TRES MANERAS DE APLICAR A SBA*

#### *Después de registrarse con FEMA*

- ◆ Aplicar en línea utilizando la Electronic Loan Application (ELA) – (Aplicación de Préstamo Electrónico), a través del sitio red seguro de SBA en: <https://disasterloan.sba.gov/ela>.
- ◆ Aplicar en persona en cualquiera de los Disaster Recovery Center (Centro de Recuperación de Desastre) y reciba ayuda personal, de un representante de SBA. Para obtener más información o para encontrar un centro cerca de usted visite nuestro sitio en la red en: <http://www.sba.gov/disaster> o llame a SBA al (800) 659-2955. Las personas sordas o con problemas de audición pueden llamar al (800) 877-8339.
- ◆ Aplicar por correo: completar una solicitud de préstamo en papel y enviarlo por correo a SBA en: 14925 Kingsport Road., Ft. Worth, TX 76155- 2243.



# The Three Step Process: Disaster Loans



## About Disaster Loans

The U. S. Small Business Administration (SBA) provides low-interest, long-term disaster loans to businesses of all sizes, private non-profit organizations, homeowners, and renters to repair or replace uninsured/underinsured disaster damaged property. SBA disaster loans offer an affordable way for individuals and businesses to recover from declared disasters.



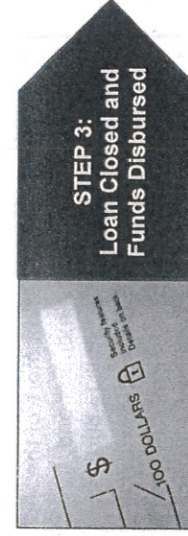
**STEP 1:**  
Apply for Loan

- Apply: 1) online; 2) in-person at a disaster center; or 3) by mail.
- Apply online at the SBA's secure website <https://disasterloan.sba.gov/ela>.
- As a business of any size, you may borrow up to \$2 million for physical damage.
- As a small business, small agricultural cooperative, small business engaged in aquaculture, or private non-profit organization you may borrow up to \$2 million for Economic Injury.
- As a small business, you may apply for a maximum business loan (physical and EIDL) of \$2 million.
- As a homeowner you may borrow up to \$200,000 to repair/replace your disaster damaged primary residence.
- As a homeowner or renter, you may borrow up to \$40,000 to repair/replace damaged personal property.



**STEP 2:**  
Property Verified  
and  
Loan Processing  
Decision Made

- SBA reviews your credit before conducting an onsite inspection to verify your losses.
- An SBA verifier inspects your disaster damaged property to estimate your total physical losses.
- A loan officer will determine your eligibility during processing, after reviewing any insurance or other recoveries. SBA can make a loan while your insurance recovery is pending.
- A loan officer works with you to provide all the necessary information needed to reach a loan determination. Our goal is to arrive at a decision on your application in 2-3 weeks.
- A loan officer will contact you to discuss the loan recommendation and your next steps. You will also be advised in writing of all loan decisions.



**STEP 3:**  
Loan Closed and  
Funds Disbursed

- SBA will prepare and send your Loan Closing Documents to you for your signature.
- Once we receive your signed Loan Closing Documents, an initial disbursement will be made to you within 5 days:
  - Physical damage:
    - \$25,000
  - Economic injury (working capital):
    - \$25,000
- A case manager will be assigned to work with you to help you meet all loan conditions. They will also schedule subsequent disbursements until you receive the full loan amount.
- Your loan may be adjusted after closing due to your changing circumstances, such as increasing the loan for unexpected repair costs or reducing the loan due to additional insurance proceeds.