

# SBA Disaster Loans for Homeowners, Renters, Businesses and Non-Profit organizations

The US Small Business Administration (SBA) offers low-interest, long-term disaster loans to homeowners, renters, businesses, and non-profits to repair or replace property damaged by the floods that occurred July 26 and later in Kentucky. SBA also offers Economic Injury Disaster Loans to small businesses who suffered financial losses due to the floods.

## How much can be borrowed and what are the terms?

- Homeowners may borrow up to \$200,000 to make repairs to their primary residences and renters and homeowners can borrow up to \$40,000 to replace damaged contents of their homes, including furniture, appliances, and cars. The interest rate for home disaster loans is as low as 2.188% with terms up to 30 years.
- Businesses may borrow up to \$2 million to repair and/or replace damaged buildings, inventory, supplies and other business assets.
- Businesses may also apply for economic injury disaster loans for working capital to overcome financial losses. The interest rate for business disaster loans is as low as 3.040% with terms up to 30 years.
- Non-profit organizations, including churches may also apply for a disaster loan. The interest rate for non-profit disaster loans is as low as 1.875% with terms up to 30 years.
- Borrowers may also be eligible for additional funds of up to 20 percent of the total amount of physical damage to cover the cost of improvements to protect property against future damage.

## Can I get a disaster loan if I have insurance? Do I have to wait for insurance to settle to apply?

- SBA disaster loans cover property losses not covered by insurance including deductibles.
- There is no need to wait for insurance to be settled to apply for a disaster loan. If a disaster loan is received before insurance settles before getting started on repairs, the insurance settlement will be used to pay down the loan and what the insurance does not cover will be the balance of the loan going forward.

## I was referred by FEMA to the SBA to complete a disaster loan, but I don't own a business. Do I have to complete the application?

- SBA offers low-interest long-term disaster loans for homeowners and renters as well as businesses. Anyone referred to the SBA by FEMA are encouraged to complete a disaster loan, even if they don't want a disaster loan or think they may not qualify. Homeowners and renters that are not approved for a disaster loan are referred back to FEMA for any other assistance that they may be eligible to receive. However, they must complete the disaster loan application to be eligible for that assistance.

**Do I have to accept a disaster loan if approved?**

- There is no obligation to accept a disaster loan if approved. Applicants have time to determine whether a disaster loan is needed. If an applicant declines a disaster loan and later changes their mind, they can request that the application be reinstated.

**What if I am not offered a disaster loan?**

- Homeowners and renters that are not offered a disaster loan are referred back to FEMA for any other assistance that they may be eligible to receive. However, they must complete the disaster loan application to be eligible for that assistance.
- Applicants may also request that their applications be reconsidered. The letter explaining why a disaster loan was not offered provides details about how to request reconsideration.

**Where can I get more information or find out the status of my application?**

- For more information about disaster loans or for the status of an application, call (800) 659-2955.

**How can I apply?**

- Individuals and businesses can find more information and apply online at [DisasterLoanAssistance.sba.gov](https://DisasterLoanAssistance.sba.gov).
- For one-on-one assistance completing an application, visit a FEMA Disaster Recovery Center or an SBA Business Recovery Center.
- Those wishing to apply by mail may call (800) 659-2955 to have an application mailed to them.

**Is there a deadline to apply?**

- The deadline to apply for a physical disaster loan is September 28, 2022.
- The deadline to apply for an economic injury disaster loan is May 1, 2023.

**Where can I find an SBA Business Recovery Center?**

SBA Business Recovery Centers are currently located in the following locations:

***Clay County BRC***

- *Eastern Kentucky University – Manchester, 50 University Drive Manchester, KY 40962*

***Perry County BRC***

- *Hazard Community and Technical College, Jolly Classroom Center 1, Community College Drive, Hazard, KY 41701*

*All Business Recovery Centers listed above are currently open daily, 9 to 7 p.m. except for the one at Clay County Community Center, which is open 1 to 7 p.m. Sundays.*

## Here's an **example of a social media blurb**

*The US Small Business Administration (SBA) offers low-interest, long-term disaster loans to help homeowners, renters, businesses, and non-profits repair or replace property damaged by the floods that occurred July 26 and later in Pike County. Small businesses may also apply for economic injury disaster loans (EIDL) to recover from financial losses that occurred due to the flood even if they didn't have physical damage. For more information and to apply visit [disasterloanassistance.sba.gov](https://disasterloanassistance.sba.gov) or call (800) 659-2955. For one-on-one assistance completing your application, visit a FEMA Disaster Recovery Center or an SBA Business Recovery Center. Recovery Centers near Jackson County are in Breathitt, Clay and Perry counties.*

### **Breathitt County FEMA DRC**

- *Breathitt Library, 1024 College Avenue, Jackson, KY 41339*

### **Clay County SBA BRC**

- *Eastern Kentucky University – Manchester, 50 University Drive Manchester, KY 40962*

### **Clay County FEMA DRC**

- *Appalachian Groundswell, 229 East Main Street Whitesburg, KY 41858*

### **Perry County SBA BRC**

- *Hazard Community and Technical College, Jolly Classroom Center 1, Community College Drive, Hazard, KY 41701*

*All Business Recovery Centers listed above are currently open daily, 9 to 7 p.m. except for the one at Clay County Community Center, which is open 1 to 7 p.m. Sundays.*

## Here's an **example of an EIDL blurb**

*Did your business suffered financial losses because of the floods starting July 26? The SBA offers low-interest, economic injury disaster loans to help businesses stay afloat. Interest rates are as low as 3.040% for business loans with terms up to 30 years. You do not need to have sustained physical damage to your business to apply. The first payment is deferred up to one year from the date of the loan. The deadline to apply for an EIDL is May 1, 2023. For more information and to apply online, visit [www.sba.gov/disaster](https://www.sba.gov/disaster). Or call (800) 659-2955 to have an application mailed to you. For one-on-one assistance completing your application, visit an SBA Business Recovery Center at one of the following locations:*

### **Clay County BRC**

- *Eastern Kentucky University – Manchester, 50 University Drive Manchester, KY 40962*

### **Perry County BRC**

- *Hazard Community and Technical College, Jolly Classroom Center 1, Community College Drive, Hazard, KY 41701*