



Disaster Field Operations Center East

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SBA Extends First Payment Due Date of Disaster Loans to One Year for KY Businesses and Residents

ATLANTA – The [U.S. Small Business Administration](#) announced it had extended the first payment due date on disaster loans for residents and businesses impacted by the Kentucky severe storms, flooding, landslides, and mudslides. Instead of the normal five months, disaster loan borrowers will now have up to one year from the date of the Note to begin making payments.

“The people of Eastern Kentucky are still dealing with the devastating aftermath of historic flooding in their communities. Limited construction contractors and supplies are compounding the significant struggles borrowers face rebuilding their homes and businesses,” said U.S. Small Business Administration, Associate Administrator for Disaster Assistance, Francisco Sanchez. “This SBA extension brings federal economic relief with a compassionate approach that allows survivors to focus on their immediate needs leading toward a successful recovery.”

The 12-month deferment is automatic and loan borrowers do not need to take any additional action. There is no prepayment penalty and borrowers can begin making loan payments during the deferment period if they choose. Interest will continue to accrue on all disbursed funds through the deferment period.

The disaster declaration covers Breathitt, Clay, Floyd, Knott, Leslie, Letcher, Magoffin, Martin, Owsley, Perry, Pike, and Whitley counties in **Kentucky**, which are eligible for both Physical and [Economic Injury Disaster Loans](#) (EIDL) from the SBA. Small businesses and most private nonprofit organizations in the following adjacent counties are eligible to apply only for SBA Economic Injury Disaster Loans (EIDLs): Bell, Harlan, Jackson, Johnson, Knox, Laurel, Lawrence, Lee, McCreary, Morgan, and Wolfe in **Kentucky**; Campbell and Claiborne in **Tennessee**; Buchanan, Dickenson, and Wise in **Virginia**; and Mingo and Wayne in **West Virginia**.

To assist small businesses and nonprofit organizations apply for disaster loans, SBA established the following Business Recovery Centers (BRCs):

<p><u>Perry County -SBA Business Recovery Center</u></p> <p>Hazard Community and Technical College Jolly Classroom Center <u>1 Community College Drive</u> Hazard, KY 41701 Hours: Daily, 9 a.m. – 7 p.m.</p>	<p><u>Letcher County -SBA Business Recovery Center</u></p> <p>Appalachian Groundswell <u>229 East Main Street</u> Whitesburg, KY 41858 Hours: Daily, 9 a.m. – 7 p.m.</p>
<p><u>Clay County -SBA Business Recovery Center</u></p> <p>Eastern Kentucky University - Manchester <u>50 University Drive</u> Manchester, KY 40962 Hours: Daily, 9 a.m. – 7 p.m.</p>	

Due to the ongoing COVID-19 pandemic, the SBA has established protocols to help protect the health and safety of the public. All visitors to the BRCs are encouraged to wear a face mask.

Businesses and private nonprofit organizations of any size may borrow up to \$2 million to repair or replace disaster-damaged or destroyed real estate, machinery and equipment, inventory, and other business assets. For small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private nonprofit organizations, the SBA offers Economic Injury Disaster Loans (EIDLs) to help meet working capital needs caused by the disaster. Economic Injury Disaster Loan assistance is available regardless of whether the business suffered any physical property damage.

Disaster loans up to \$200,000 are available to homeowners to repair or replace disaster-damaged or destroyed real estate. Homeowners and renters are eligible for up to \$40,000 to repair or replace disaster-damaged or destroyed personal property.

Applicants may be eligible for a loan amount increase of up to 20 percent of their physical damages, as verified by the SBA, for mitigation purposes. Eligible mitigation improvements may include a safe room or storm shelter, sump pump, elevation, retaining walls, and landscaping to help protect property and occupants from future damage caused by a similar disaster.

To be considered for all forms of disaster assistance, applicants should register online at DisasterAssistance.gov or download the FEMA mobile app. If online or mobile access is unavailable, applicants should call the FEMA toll-free helpline at 800-621-3362. Those who use 711-Relay or Video Relay Services should call 800-621-3362.

Applicants may apply online using the Electronic Loan Application (ELA) via SBA’s secure website at <https://disasterloanassistance.sba.gov/ela/s/> and should apply under SBA declaration # 17546.

Disaster loan information and application forms may also be obtained by calling the SBA’s Customer Service Center at 800-659-2955 (if you are deaf, hard of hearing, or have a speech

disability, please dial 7-1-1 to access telecommunications relay services) or by sending an email to DisasterCustomerService@sba.gov. Loan applications can be downloaded from the SBA's website at sba.gov/disaster. Completed applications should be mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

The physical loan application deadline is **Sept. 28, 2022**. The deadline to return economic injury applications is **May 1, 2023**.

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About the U.S. Small Business Administration

The U.S. Small Business Administration helps power the American dream of business ownership. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow, expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit www.sba.gov.