

FACT SHEET: Why It's Important to Return the SBA Loan Application

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RALEIGH, N.C. – Survivors of Hurricane Florence who apply for disaster assistance from FEMA may be contacted by the U.S. Small Business Administration with information on how to apply for a disaster loan.

SBA offers low-interest disaster loans to businesses of all sizes, private nonprofit organizations, homeowners and renters. Next to insurance, SBA low-interest disaster loans are the primary source of funds for real estate property repairs and replacing contents destroyed during Hurricane Florence.

Homeowners may borrow up to \$200,000 from SBA to repair or replace their primary residence. Homeowners and renters may borrow up to \$40,000 to repair or replace personal property. Businesses may borrow up to \$2 million for any combination of property damage or economic injury.

There's no obligation to accept a disaster loan, but survivors may miss out on the largest source of federal disaster recovery funds if they don't submit an application.

These disaster loans cover losses not fully compensated by insurance or other resources. Survivors should not wait for an insurance settlement before submitting an SBA loan application. They may discover they were underinsured for the labor and materials required to repair or replace their home. An SBA low-interest disaster loan can cover the gap.

If survivors have not settled with their insurance agency, SBA can make them a loan for the full amount of their losses. They can then use their insurance proceeds to reduce or pay off the SBA loan.



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By law, both FEMA and SBA cannot duplicate benefits of other agencies or organizations.

If applicants don't qualify for a loan, SBA will refer them back to FEMA and they could be considered for other FEMA grants under Other Needs Assistance.

Examples of Other Needs Assistance that do not depend on completing the SBA application include:

- Disaster-related medical and dental expenses.
- Disaster-related funeral and burial expenses.
- Increased cost of child-care expenses.
- Miscellaneous items, such as smoke detectors and weather radios.
- Other serious disaster-related needs not covered by insurance or other sources.

Some types of ONA that do require an SBA loan application include:

- Personal property replacement.
- Moving and storage fees.
- Financial help with disaster-caused vehicle repair or replacement expenses.

In planning their recovery, survivors should give themselves the widest possible set of options. Submitting the application makes it possible to be considered for additional grants, and if they qualify for a loan they will have that resource available if they choose to use it.

Information about low-interest SBA disaster loans, application forms, and where to get help with an application are available online at [SBA.gov/disaster](https://www.sba.gov/disaster). Survivors may also call 800-659-2955 or 800-877-8339 (TTY) or email DisasterCustomerService@sba.gov. Applicants may [Apply Online for Disaster Loan Assistance](#), or at any disaster recovery center.



The centers serve as one-stop shops for survivors who need one-on-one help. Survivors can visit any center for assistance. To find center locations and current hours, download the [FEMA mobile app in English](#), the [FEMA mobile app in Spanish](#), the [ReadyNC app](#), or visit [FEMA.gov/DRC](https://www.fema.gov/DRC). SBA has staff at all centers to provide one-on-one assistance to homeowners, renters and businesses of all sizes.

You can watch an online video in American Sign Language that explains the [Reasons to Apply for an SBA Loan](#).

For more information on North Carolina's recovery from Hurricane Florence, visit ncdps.gov/Florence and [FEMA.gov/Disaster/4393](https://www.fema.gov/Disaster/4393). Follow us on Twitter: [@NCEmergency](#) and [@FEMARegion4](#).

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