



U.S. Small Business
Administration

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

VERMONT Declaration 18016 & 18017 (Disaster: VT-00046)

Incident: SEVERE STORMS AND FLOODING

occurring: July 7, 2023 & continuing

in the Vermont counties of: **Chittenden, Lamoille, Rutland, Washington, Windham, and Windsor**; for economic injury only in the contiguous Vermont counties of: **Addison, Bennington, Caledonia, Franklin, Grand Isle, Orange, and Orleans**; for economic injury only in the contiguous Massachusetts County of: **Franklin**; for economic injury only in the contiguous New Hampshire counties of: **Cheshire, Grafton, and Sullivan**; and for economic injury only in the contiguous New York counties of: **Clinton, Essex, and Washington**

Application Filing Deadlines:

Physical Damage: September 12, 2023 **Economic Injury:** April 15, 2024

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:

Loan Types	No Credit Available Elsewhere	Credit Available Elsewhere
Home Loans	2.500%	5.000%
Business Loans	4.000%	8.000%
Non-Profit Organizations	2.375%	2.375%

Economic Injury Loans

Loan Types	No Credit Available Elsewhere	Credit Available Elsewhere
Businesses & Small Agricultural Cooperatives	4.000%	N/A
Non-Profit Organizations	2.375%	N/A

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.

What are the Loan Amount Limits?

- **Business Loans** – The law limits business loans to \$2,000,000 for the repair or replacement of real estate, inventories, machinery, equipment and all other physical losses. Subject to this maximum, loan amounts cannot exceed the verified uninsured disaster loss.
- **Economic Injury Disaster Loans (EIDL)** – The law limits EIDLs to \$2,000,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by SBA, less business interruption insurance and other recoveries up to the administrative lending limit. EIDL assistance is available only to entities and their owners who cannot provide for their own recovery from non-government sources, as determined by the U.S. Small Business Administration.
- **Business Loan Ceiling** – The \$2,000,000 statutory limit for business loans applies to the combination of physical, economic injury, mitigation and refinancing, and applies to all disaster loans to a business and its affiliates for each disaster. If a business is a major source of employment, SBA has the authority to waive the \$2,000,000 statutory limit.
- **Home Loans** – SBA regulations limit home loans to \$200,000 for the repair or replacement of real estate and \$40,000 to repair or replace personal property. Subject to these maximums, loan amounts cannot exceed the verified uninsured disaster loss.

What Restrictions are there on Loan Eligibility?

- **Uninsured Losses** – Only uninsured or otherwise uncompensated disaster losses are eligible. Any insurance proceeds which are required to be applied against outstanding mortgages are not available to fund disaster repairs and do not reduce loan eligibility. However, any insurance proceeds voluntarily applied to any outstanding mortgages do reduce loan eligibility.
- **Ineligible Property** – Secondary homes, personal pleasure boats, airplanes, recreational vehicles and similar property are not eligible, unless used for business purposes. Property such as antiques and collections are eligible only to the extent of their functional value. Amounts for landscaping, swimming pools, etc., are limited.
- **Noncompliance** – Applicants who have not complied with the terms of previous SBA loans may not be eligible. This includes borrowers who did not maintain flood and/or hazard insurance on previous SBA loans.

Note: Loan applicants should check with agencies / organizations administering any grant or other assistance program under this declaration to determine how an approval of SBA disaster loan might affect their eligibility.

Is There Help with Funding Mitigation Improvements?

If your loan application is approved, you may be eligible for additional funds to cover the cost of improvements that will protect your property against future damage. Examples of improvements include retaining walls, seawalls, sump pumps, etc. Mitigation loan money would be in addition to the amount of the approved loan, but may not exceed 20 percent of total amount of physical damage to real property, including leasehold improvements, and personal property as verified by SBA to a maximum of \$200,000 for home loans. It is not necessary for the description of improvements and cost estimates to be submitted with the application. SBA approval of the mitigating measures will be required before any loan increase.

Is There Help Available for Refinancing?

- SBA can refinance all or part of prior mortgages that are evidenced by a recorded lien, when the applicant (1) does not have credit available elsewhere, (2) has suffered substantial uncompensated disaster damage (40 percent or more of the value of the property or 50% or more of the value of the structure), and (3) intends to repair the damage.
- **Businesses** – Business owners may be eligible for the refinancing of existing mortgages or liens on real estate, machinery and equipment, up to the amount of the loan for the repair or replacement of real estate, machinery, and equipment.
- **Homes** – Homeowners may be eligible for the refinancing of existing liens or mortgages on homes, up to the amount of the loan for real estate repair or replacement.

What if I Decide to Relocate?

You may use your SBA disaster loan to relocate. The amount of the relocation loan depends on whether you relocate voluntarily or involuntarily. If you are interested in relocation, an SBA representative can provide you with more details on your specific situation.

Are There Insurance Requirements for Loans?

To protect each borrower and the Agency, SBA may require you to obtain and maintain appropriate insurance. By law, borrowers whose damaged or collateral property is located in a special flood hazard area must purchase and maintain flood insurance. SBA requires that flood insurance coverage be the lesser of 1) the total of the disaster loan, 2) the insurable value of the property, or 3) the maximum insurance available.

Applicants may apply online, receive additional disaster assistance information and download applications at <https://disasterloanassistance.sba.gov/ela>. Applicants may also call SBA's Customer Service Center at (800) 659-2955 or email disastercustomerservice@sba.gov for more information on SBA disaster assistance. If you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services. Completed applications should be mailed to U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

Disaster Loans for Businesses



Benefits of a disaster loan

- Fixed interest rate as low as 4% for businesses; 2.375% for nonprofits
- Borrowers have no payments until one year from the date of the note
- Interest will not accrue until 12 months from the date of the first disbursement
- No collateral up to \$25,000
- No cost to apply
- Funds available for mitigation measures to rebuild stronger
- Up to \$2 million to cover physical damages and financial losses

What small businesses and non-profits need to apply for a disaster loan

- Cell phone and contact information for all applicants
- Social Security numbers and Employer Identification Numbers (EIN) for all applicants / owners
- Financial information (e.g., income, account balances, monthly expenses etc.)
- Complete copy of the most recent Federal income tax return
- Insurance information, if available



Ways to Apply

- Scan the **QR Code** to apply for an SBA disaster loan
- Or visit the website at disasterloanassistance.sba.gov
- Or call **(800) 659-2955** or (TTT) 7-1-1 to request an application
- Or visit a FEMA Disaster Recovery Center ([click here for locator](#)) or

an SBA **Business Recovery Center** (call 800-659-2955 for locations) to meet with an SBA representative.

Questions? Call (800) 659-2955 (dial 7-1-1 to access telecommunications relay services) or visit sba.gov/disaster



Préstamos por desastre para empresas



Beneficios de un préstamo por desastre

- Tasa de interés fija tan baja como 4% para las empresas; 2.375% para organizaciones sin fines de lucro.
- Los prestatarios no tienen que emitir pagos hasta un año a partir de la fecha del aviso.
- Los intereses no se devengarán hasta 12 meses después de la fecha del primer desembolso.
- Sin necesidad de garantía en préstamos de hasta \$25,000.
- Sin costo para aplicar.
- Fondos disponibles para medidas de mitigación para reconstruir más fuerte.
- Hasta \$2 millones para cubrir daños físicos y pérdidas financieras.

Lo que las pequeñas empresas y organizaciones sin fines de lucro necesitan para solicitar un préstamo por desastre

- Teléfono celular e información de contacto de todos los solicitantes.
- Número de Seguro Social y Número de Identificación del Empleador (EIN, por sus siglas en inglés) de cada solicitante / propietario.
- Información financiera (por ejemplo, ingresos, saldos de cuentas, gastos mensuales, etc.)
- Copia completa de la declaración de impuestos federales más reciente.
- Información del seguro si está disponible.



Formas de aplicar

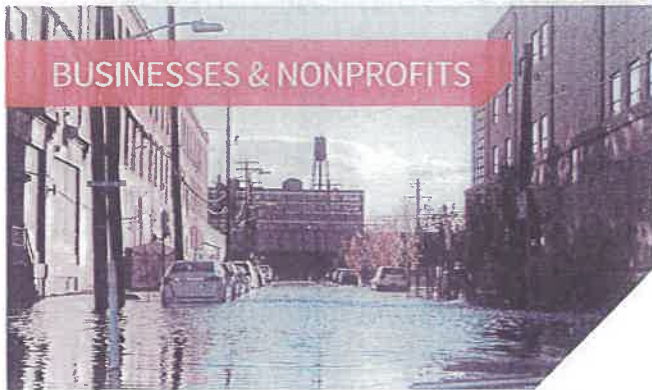
- Escanee el código QR para solicitar un préstamo por desastre de la SBA
- O visite el sitio web en disasterloanassistance.sba.gov
- O llame al (800) 659-2955 o (TTT) 7-1-1 para solicitar una solicitud
- O visite un Centro de Recuperación por Desastre de FEMA (haga clic aquí para localizar) o

un Centro de Recuperación de Negocios de la SBA (llame al 800-659-3955 para conocer las ubicaciones) para reunirse con un representante de la SBA.

¿Preguntas? Llame al (800) 659-2955 (marque 7-1-1 para acceder a los servicios de retransmisión de telecomunicaciones) o visite sba.gov/desastre



SBA Disaster Assistance Loans



When Disaster Strikes

Even with the best preparedness planning, a disaster can affect your business. But rest assured, the U.S. Small Business Administration (SBA) offers two low-interest disaster assistance loans designed to help you get up and running again as quickly as possible.

*The maximum loan for any combination of property damage and/or economic injury is \$2 million.

Business Disaster Loans — up to \$2 million*

SBA disaster loans are available to businesses, regardless of size, and nonprofits including charitable organizations such as churches and private universities.

Borrow up to \$2 million to repair or replace damaged or destroyed real estate, machinery and equipment, inventory and other business assets. Loans may also be used for structural improvements such as adding a retaining wall or sump pump, clearing out overgrown landscaping, building a safe room or elevating the property to lessen the effect of future disasters.

Economic Injury Disaster Loans — up to \$2 million*

These loans are for small businesses, agricultural cooperatives, aquaculture enterprises and nonprofits affected by disaster to help meet working capital needs or normal business operating expenses through the recovery period. Businesses are eligible for these loans regardless of whether or not they have suffered property damage.

Questions? Visit www.sba.gov/disaster

How to Get Started

1.



Apply for an SBA Loan

Online at disasterloan.sba.gov/ela or

Call (800) 659-2955 or TTY (800) 887-8339 to request an application.

2.



The Application Process

After an initial credit check, an SBA loss verifier estimates the total cost to repair or replace your damaged property.

An SBA loan officer reviews applications and guides applicants through the process.

3.



Loan Decision

If approved, SBA contacts applicants to discuss the loan.

A case manager assists with closing the loan and scheduling disbursements.

Facts About Applying

- There is no obligation to accept the loan if it is approved.
- It is not necessary to know how much to ask for when applying.
- Loans may be used for insurance deductibles, required building code upgrades not covered by insurance or to relocate.



U.S. Small Business Administration

DISASTER ASSISTANCE

Businesses • Homeowners • Renters • Nonprofits

Préstamos de la SBA de asistencia ante desastres



Cuando ocurre un desastre

Incluso con la mejor planificación para prepararse, un desastre puede afectar su negocio. Pero tenga la confianza de que la Agencia Federal de Pequeños Negocios de los EE. UU. (SBA, siglas en inglés) ofrece dos préstamos de bajo interés diseñados para ayudarle a levantarse y seguir trabajando lo más rápido posible.

Préstamos para empresas ante desastres por hasta \$2 millones*

Los préstamos de la SBA ante desastres están disponibles para las empresas privadas, sin importar su tamaño, y para organizaciones sin fines de lucro que incluyen organizaciones de beneficencia como iglesias y universidades privadas.

Pida un préstamo de hasta \$2 millones para reparar o reemplazar alguna propiedad, maquinaria o equipo, inventario u otros activos empresariales que hayan resultado dañados o destruidos. Los préstamos también se pueden usar para realizar mejoras estructurales como agregar un muro de contención o una bomba de sumidero, cortar la maleza, construir una habitación segura o elevar la propiedad para aminorar el efecto de futuros desastres.

Préstamos para daños por desastres económicos por hasta \$2 millones*

Estos préstamos son para pequeñas empresas, cooperativas agrícolas, empresas de acuicultura y organizaciones sin fines de lucro que resultan afectadas por un desastre, para ayudar a cubrir las necesidades de capital circulante o los gastos normales de operación de una empresa a través del período de recuperación. Las empresas son elegibles para recibir estos préstamos sin importar si han sufrido o no suficiente daño en su propiedad.

**El préstamo máximo para cualquier combinación de daño a propiedad y/o daño económico es de \$2 millones.*

Cómo empezar

1



Solicite un préstamo de la SBA

disasterloan.sba.gov/ela

Encuentre Centros de Recuperación ante Desastres en sba.gov/disaster.

Llame al (800) 659-2955 o TTY (800) 887-8339 para pedir una solicitud.

2



El proceso de solicitud

Después de una revisión de crédito inicial, un verificador de pérdidas de la SBA calcula el costo total de reparación o reemplazo de su propiedad dañificada.

Un funcionario de préstamos de la SBA revisa las solicitudes y guía a los solicitantes a través del proceso.

3



Decisión de préstamo

En caso de aprobarse, la SBA se pone en contacto con los solicitantes para hablar sobre el préstamo.

Un administrador de casos ayuda a cerrar el préstamo y a programar los pagos.



La Agencia Federal de Pequeños Negocios

ASISTENCIA POST-DESASTRE

Negocios • Dueños de vivienda • Arrendatarios • Entidades sin fin de lucro