



FEMA

News Release

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FOUR REASONS TO FILL OUT AND SUBMIT THAT LOAN APPLICATION NOW

TRENTON, N.J. -- Hurricane Sandy survivors who register for federal disaster assistance may be referred for a U.S. Small Business Administration (SBA) low-interest long term disaster loan. The loans can go to homeowners, renters, business, and non-profit agencies to pay for disaster-caused damages not covered by insurance.

Hurricane Sandy survivors who receive an SBA loan application should complete it **now**, because there are potential benefits that can happen as a result.

- They would have readily-available funds for hidden damage that may be discovered after the initial inspection.
- Applicants may be automatically referred to other disaster assistance programs for which survivors may be eligible if they are turned down for a loan.
- The initial estimate of the cost of repair may prove inadequate for the work that is actually required, and the loan funds could cover the difference.
- A survivor's insurance policy or settlement may not cover all repairs, replacement or rebuilding costs and the loan funds could be used to fill that gap.

The SBA loans are low-interest, and long-term. In some cases, SBA can refinance all or part of an existing mortgage. SBA loan officers work to come up with a plan that fits a survivor's budget.

Loans of up to \$200,000 are available to eligible homeowners to repair or replace disaster-damaged or destroyed real estate. Homeowners and renters may apply for loans of up to \$40,000 for personal property, including clothing, furniture, cars or appliances. Loan amounts cannot exceed uninsured losses.

Businesses and private nonprofit organizations may borrow up to \$2 million to repair or replace real estate, machinery and equipment, inventory and other business assets that are not fully covered by insurance.

Interest rates are as low as 1.688 percent for homeowners and renters, 3 percent for non-profit organizations and 4 percent for businesses with terms up to 30 years. Loan amounts and terms are set by the SBA and are based on each applicant's financial condition.

(MORE)

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Applicants may apply online using the Electronic Loan Application (ELA) via [SBA's secure website](#) at <https://disasterloan.sba.gov/ela>. Applications can be [downloaded](#) from www.sba.gov. For more information, call the SBA's toll-free line at 800-659-2955. If you use TTY, call **800-877-8339**.

Individuals can register for assistance and follow up on previous applications by [registering online](#) or by web-enabled mobile device at m.FEMA.gov. By phone or 711/VRS, you can call **1-800-621-FEMA (3362)** or TTY **1-800-462-7585**.

The SBA has also opened ten [Business Recovery Centers](#) throughout New Jersey to help survivors.

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FEMA's mission is to support our citizens and first responders to ensure that as a nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards.

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