



DISASTER NEWS

Loans for Businesses of all Sizes, Homeowners and Renters

SBA Disaster Assistance – Field Operations Center- East – 101 Marietta Street, NW, Suite 700, Atlanta, GA 30303

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SBA Offers Disaster Assistance to Residents of New York Affected by Severe Storms and Flooding

WASHINGTON – New York businesses and residents affected by severe storms and flooding from July 1 through July 24, 2017, can apply for low-interest disaster loans from the U.S. Small Business Administration, Administrator Linda McMahon announced today.

McMahon made the loans available in response to a letter from Gov. Andrew Cuomo on Feb. 5 requesting a disaster declaration by the SBA. The declaration covers Cayuga, Oneida, Rensselaer and Wyoming counties and the contiguous counties of Albany, Allegany, Cattaraugus, Columbia, Cortland, Erie, Genesee, Greene, Herkimer, Lewis, Livingston, Madison, Onondaga, Oswego, Otsego, Saratoga, Seneca, Tompkins, Washington, Wayne in **New York**; Berkshire County in **Massachusetts**, and Bennington County in **Vermont**.

“The SBA is strongly committed to providing the people of New York with the most effective and customer-focused response possible to assist businesses of all sizes, homeowners and renters with federal disaster loans,” said McMahon.

SBA’s customer service representatives will be available at the Disaster Loan Outreach Centers to answer questions about the disaster loan program and help individuals complete their applications.

The Centers are located in the following communities and are open as indicated:

<u>Cayuga County</u>	<u>Oneida County</u>
Moravia Fire Station 38 Keeler Ave Moravia, NY 13118	Utica Union Station 321 Main Street Utica, NY 13501
Opening: Tuesday, Feb. 20 Hours: 11 a.m. – 3 p.m.	Opening: Tuesday, Feb. 20 Hours: 11 a.m. – 5:30 p.m.
Days and Hours: Monday – Friday 9 a.m. – 5:30 p.m.	Day and Hours: Monday – Friday 9 a.m. – 5:30 p.m.
Saturday, Feb. 24 10 a.m. – 2 p.m.	Saturday, Feb. 24 10 a.m. – 2 p.m.
Closed: Sunday, Feb. 25	Closed: Sunday, Feb. 25
Closing: Tuesday, Feb. 27 9 a.m. – 3:30 p.m.	Closing: Tuesday, Feb. 27 9 a.m. – 3:30 p.m.

<u>Rensselaer County</u>		<u>Wyoming County</u>	
Village Town Hall 24 Main Street Hoosick Falls, NY 12090		Attica Village Office 9 Water Street Attica, NY 14011	
Opening:	Tuesday, Feb. 20	Opening:	Tuesday, Feb. 20
Hours:	11 a.m. – 5:30 p.m.	Hours:	10 a.m. – 4:30 p.m.
Day and Hours:	Monday – Friday 9 a.m. – 5:30 p.m.	Day and Hours:	Monday – Friday 8 a.m. – 4:30 p.m.
	Saturday, Feb. 24 10 a.m. – 2 p.m.		Saturday, Feb. 24 10 a.m. – 2 p.m.
Closed:	Sunday, Feb. 25	Closed:	Sunday, Feb. 25
Closing:	Tuesday, Feb. 27 9 a.m. – 3:30 p.m.	Closing:	Tuesday, Feb. 27 8 a.m. – 2:30 p.m.

“Businesses and private nonprofit organizations may borrow up to \$2 million to repair or replace disaster damaged or destroyed real estate, machinery and equipment, inventory, and other business assets,” said SBA’s New York District Director Bernard J Paprocki.

For small businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private nonprofit organizations, the SBA offers Economic Injury Disaster Loans 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.

“Loans up to \$200,000 are available to homeowners to repair or replace damaged or destroyed real estate. Homeowners and renters are eligible for loans up to \$40,000 to repair or replace damaged or destroyed personal property,” said Frank Skaggs, director of SBA’s Field Operations Center East in Atlanta.

Applicants may be eligible for a loan amount increase 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 to help protect property and occupants from future damage caused by a similar disaster.

Interest rates are as low as 3.215 percent for businesses, 2.5 percent for nonprofit organizations, and 1.938 percent for homeowners and renters with terms up to 30 years. Loan amount and terms are set by the SBA and are based on each applicant’s financial condition.

Applicants may apply online using the Electronic Loan Application (ELA) via SBA’s secure website at Disasterloan.sba.gov.

Businesses and individuals may also obtain information and loan applications by calling the SBA’s Customer Service Center at 1-800-659-2955 (1-800-877-8339 for the deaf and hard-of-hearing), or by emailing disastercustomerservice@sba.gov. Loan applications can also be downloaded at Disasterloan.sba.gov. Completed applications should be returned to the center or mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

The filing deadline to submit applications for physical property damage is **April 16, 2018**. The deadline for economic injury applications is **Nov. 13, 2018**.

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For more information about the SBA’s Disaster Loan Program, visit our website at www.sba.gov/disaster.



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

NEW YORK Declaration 15442 & 15443

(Disaster: NY-00176)

Incident: SEVERE STORMS AND FLOODING

occurring: July 1 - 24, 2017

in the New York counties of: **Cayuga, Oneida, Rensselaer and Wyoming**; the contiguous New York counties of: **Albany, Allegany, Cattaraugus, Columbia, Cortland, Erie, Genesee, Greene, Herkimer, Lewis, Livingston, Madison, Onondaga, Oswego, Otsego, Saratoga, Seneca, Tompkins, Washington and Wayne**; the contiguous Massachusetts county of: **Berkshire**; and the contiguous Vermont county of: **Bennington**

Application Filing Deadlines:

Physical Damage: April 16, 2018

Economic Injury: November 13, 2018

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:

	No Credit Available Elsewhere	Credit Available Elsewhere
Business Loans	3.215%	6.430%
Non-Profit Organization Loans	2.500%	2.500%
Economic Injury Loans		
Businesses and Small Agricultural Cooperatives	3.215%	N/A
Non-Profit Organizations	2.500%	N/A
Home Loans	1.938%	3.875%

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, safe rooms, 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.

For more information, contact SBA's Disaster Assistance Customer Service Center by calling (800) 659-2955, emailing disastercustomerservice@sba.gov, or visiting SBA's Web site at <http://www.sba.gov/disaster>. Deaf and hard-of-hearing individuals may call (800)877-8339. Applicants may also apply online using the Electronic Loan Application (ELA) via SBA's secure Web site at <https://disasterloan.sba.gov/ela>.