The Three Step Process: Disaster Loans

About Disaster Loans
The SBA provides low-interest, long-term disaster loans to businesses of all sizes, private non-profit organizations, homeowners and renters to repair or replace uninsured/underinsured disaster damaged property. SBA disaster loans offer an affordable way for individuals and businesses to recover from declared disasters.

STEP 1: Apply for Loan
- Apply: 1) online; 2) in-person at a disaster center; or 3) by mail.
- Apply online at the SBA’s secure website https://disasterloan.sba.gov/ela.
- As a business of any size, you may borrow up to $2 million for physical damages.
- As a small business, small agricultural cooperative, small business engaged in aquaculture, or private nonprofit organization you may borrow up to $2 million for Economic Injury Disaster Loan (EIDL).
- As a small business you can apply for maximum business loan (physical and EIDL) of $2 million.
- As a Homeowner you may borrow up to $200,000 to repair/replace your disaster damaged primary residence.
- As a Homeowner or renter, you may borrow up to $40,000 to replace damaged personal property.

STEP 2: Property Verified and Loan Processing Decision Made
- SBA reviews your credit before conducting an onsite inspection to verify your losses.
- An SBA verifier inspects your damaged property to estimate your total physical losses.
- The loan officer will determine your eligibility during processing after reviewing any insurance or other recoveries. SBA can make a loan while insurance recovery is pending.
- A loan officer works with you to provide all the necessary information needed to reach a loan determination. Our goal is to arrive at a decision on your application in 2-3 weeks.
- The loan officer will contact you to discuss the loan decision and next steps. You will also be advised in writing of all loan decisions.

STEP 3: Loan Closed and Funds Disbursed
- SBA will prepare and send your Loan Closing Documents to you for your signature.
- Once we receive your signed Loan Closing Documents, an initial disbursement will be made to you within 5 days:
  - Physical damage:
    - $25,000 (Presidential declarations)
    - $14,000 (Agency declarations)
  - Economic injury (working capital):
    - $25,000 (all declarations)
- A case manager will be assigned to work with you to help you meet all loan conditions and schedule subsequent disbursements until you receive the full loan amount.
- Your loan may be adjusted after closing due to your changing circumstances, such as increasing the loan for unexpected repair costs or reducing the loan due to additional insurance proceeds.

For more information or to find a local disaster center, contact SBA’s Customer Service Center at 1-800-659-2955 (TTY: 1-800-877-8339).
http://www.sba.gov/disaster
# Required Documentation

The following documents are required to process your application and reach a loan decision. Your Loan Officer and Case Manager will assist you to ensure that you submit proper documentation.

**BUSINESSES**

- Business Loan Application (SBA Form 5) completed and signed by business applicant.
- IRS Form 8821 completed and signed by Applicant business, each principal owning 20% or more of the applicant business, each general partner or managing member and each affiliate business. (Affiliates include business parent, subsidiaries, and/or businesses with common ownership or management.)
- Complete copies, including all schedules, of the most recent Federal income tax returns for the applicant business.
- Personal Financial Statement (SBA Form 413) completed, signed and dated by the applicant (if a sole proprietorship), each principal owning 20% or more of the applicant business, each general partner or managing member.
- Schedule of Liabilities listing all fixed debts (SBA Form 2202 may be used).

**ADDITIONAL INFORMATION THAT MAY BE NECESSARY TO PROCESS YOUR APPLICATION:**

- Complete copies, including all schedules, of the most recent Federal income tax returns for each principal owning 20% or more of the applicant business, each general partner or managing member and each affiliate.
- If the most recent Federal income tax return has not been filed, a year-end profit and loss statement and balance sheet for that tax year.
- A current year-to-date profit and loss statement.
- Additional Filing Requirements (SBA Form 1368) providing monthly sales figures.

**HOMEOWNERS AND RENTERS**

- Home Loan Application (SBA Form 5c) completed and signed by Applicant and Co-Applicant.
- IRS Form 8821 completed and signed by Applicant and Co-Applicant.

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