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SBA.gov



U.S. Small Business
Administration

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

MAINE Declaration 20172 & 20173 (Disaster: ME-20003)

Incident: SEVERE STORMS AND FLOODING

occurring: January 9 - 13, 2024

*in the **Maine** counties of: **Cumberland, Hancock, Knox, Lincoln, Sagadahoc, Waldo, Washington, and York;** for economic injury only in the contiguous **Maine** counties of: **Androscoggin, Aroostook, Kennebec, Oxford, Penobscot, and Somerset;** and for economic injury only in the contiguous **New Hampshire** counties of: **Carroll, Rockingham, and Strafford***

Application Filing Deadlines:

Physical Damage: May 20, 2024

Economic Injury: December 23, 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.

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:

Physical Damage Loan Types	No Credit Available Elsewhere	Credit Available Elsewhere
Home Loans	2.688%	5.375%
Business Loans	4.000%	8.000%
Non-Profit Organizations	3.250%	3.250%

Economic Injury Loan Types	No Credit Available Elsewhere	Credit Available Elsewhere
Businesses & Small Agricultural Cooperatives	4.000%	N/A
Non-Profit Organizations	3.250%	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. Borrowers may be required to provide collateral.

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 \$500,000 for the repair or replacement of real estate and \$100,000 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 \$500,000 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.

Applications for disaster loans may be submitted online using the MySBA Loan Portal at <https://lending.sba.gov> or other locally announced locations. Please contact the SBA's Customer Service Center by email at disastercustomerservice@sba.gov or by phone at 1-800-659-2955 for further assistance. For people who are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

Disaster Loans for homeowners and renters

Benefits of a disaster loan

- Low, fixed interest rate with terms up to 30 years
- Automatic **no payment** and **no interest** for 12 months from the date of the first disbursement
- Apply before insurance is settled
- Unsecured up to \$25,000
- \$500,000 maximum loan to cover damage to homeowner's primary residence
- \$100,000 maximum loan for contents and personal property (including vehicles)
- Funds available for mitigation measures to build back better, more resilient
- If the SBA denies your application, we may refer you to FEMA for consideration for other needs assistance grants.



What you need to apply for a disaster loan

- Cell phone and contact information for all applicants
- Social Security numbers for all applicants
- Financial information (income, account balances, monthly expenses etc.)
- Information about your deed or lease
- Insurance information, if available



Three ways to apply

- Scan the QR Code
- Visit sba.gov/disaster
- Call (800) 659-2955 to locate a Recovery Center

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Disaster Loans for Businesses and Non-Profits



Benefits of a disaster loan

- Low fixed interest rate with terms up to 30 years
- Automatic **no payments** and **no interest** for 12 months from the date of the first disbursement
- Apply before insurance is settled
- Unsecured up to \$25,000
- Up to \$2 million to cover physical damage and financial losses
- Funds available for mitigation measures to build back better, more resilient

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



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Economic Injury Disaster Loans



for Businesses and Non-Profits

Benefits of an SBA Working Capital Loan (EIDL)

- Up to \$2 million to meet ordinary and necessary financial obligations
- Low fixed interest rate with terms up to 30 years
- Automatic **no payments** and **no interest** for 12 months from the date of the first disbursement
- Apply before insurance is settled
- Unsecured up to \$25,000

What small businesses and non-profits need to apply for an Economic Injury Disaster Loan (EIDL)



- 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



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Protect Against Future Disasters

Don't Wait

Take steps now to protect your home or business and reduce property damage with the help of the U.S. Small Business Administration (SBA). Those affected by a disaster can rebuild stronger by increasing their SBA disaster assistance loan up to 20% of the verified physical damage to make mitigation improvements. Generally, borrowers have 2 years after loan approval to request an increase for higher rebuilding costs, code-required upgrades or mitigation.

Consider these projects with your increased loan

Flood Mitigation

- seal your roof deck
- landscape your property to improve water runoff and drainage
- elevate structures
- relocate your home or business outside the flood plain
- add a sump pump
- convert your lowest floor to flexible space less likely to be damaged in a flood



Wind Mitigation

- strengthen structures to protect against high wind damage
- brace or upgrade to wind-rated garage doors
- upgrade to pressure-rated windows
- install hurricane roof straps
- install a safe room or storm shelter built to FEMA guidelines



Get Started

Call **(800) 659-2955** and ask about increasing your loan for mitigation purposes, or visit sba.gov/disaster for more information. There is no cost to apply, and you are under no obligation to accept a loan if approved.

Wildfire Mitigation

- install a Class A fire-rated roof
- install 1/8-inch mesh screening over all vents to keep embers out of eaves and vents
- install noncombustible gutters, fences and gates
- remove roof and gutter debris that can be ignited by airborne embers
- replace single-pane windows with dual- or multi-pane tempered glass windows



Earthquake Mitigation

- strengthen and retrofit masonry buildings and concrete facilities that are vulnerable to ground shaking
- install window film to prevent shattered glass injuries
- anchor rooftop-mounted equipment



U.S. Small Business
Administration

DISASTER ASSISTANCE

Businesses • Homeowners • Renters • Nonprofits