



News Release

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SBA Recovery Loans for Gulf Coast Residents Surpass \$10 Billion

WASHINGTON – With 99.5 percent of applications processed, the U.S. Small Business Administration has approved an unprecedented \$10 billion in disaster loans following last year's devastating hurricanes.

More than 21,750 businesses in the disaster zone have been approved for \$2.3 billion worth of loans. The approval rate for business disaster loans stands at 51 percent.

For homeowners and renters, 130,436 loans worth \$7.7 billion have been approved.

Besides SBA disaster recovery loans, the SBA's regular small business loan programs have provided 4,260 commercial loans worth more than \$790 million to small businesses in the declared disaster areas.

"Since Hurricane Katrina struck, the SBA has responded like never before in its history to help victims of the Gulf Coast states and Florida," said SBA Administrator Hector V. Barreto. "We have worked urgently and with compassion to aid our fellow citizens and residents. Our effort now is to get the necessary capital into people's hands so they can start rebuilding their businesses and homes."

Louisiana leads in the number of disaster loans and dollars approved at 89,622 for \$6.3 billion. Following is Mississippi at 34,619 for \$2.5 billion. Rounding the list is Texas for 8,487 loans for \$351 million, Florida for 16,622 loans for \$767 million and Alabama at 2,838 loans for \$131 million.

More than 320,900 properties have been inspected for damage by SBA field inspectors. At the height of the agency's response, more than 4,200 people were working around the clock on disaster assistance.

In an effort to help as many small businesses as possible, the SBA also extended the deadline to apply for Economic Injury Disaster Loan in the areas affected by Hurricane Katrina to June 28. Small businesses in the Hurricane Rita disaster areas have until July 26 to apply. The deadline for Florida small business owners who suffered economic losses after Hurricane Wilma is July 24.

"I urge the thousands who have been approved for a disaster loan and who want to start rebuilding to contact us at 1-800-659-2955 or disastercustomerservice@sba.gov to schedule a loan closing so that they can start receiving funds," said Administrator Barreto.

The next largest disaster response in the SBA's 52-year history is the 1994 Northridge, California earthquake where \$4 billion in disaster loans were made.

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