



# *News Release*

## **PRESS OFFICE**

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## ***SBA Disaster Relief in Aftermath Of Summer Hurricanes Tops \$2 Billion***

**WASHINGTON** – The U.S. Small Business Administration has approved more than \$2 billion in low-interest disaster loans to about 62,000 residents and business owners in the areas affected by the late-summer rash of deadly hurricanes and floods.

Florida was hardest hit by hurricanes Charley, Frances, Ivan and Jeanne, and nearly 52,000 Florida businesses and residents have received SBA disaster loans. Puerto Rico and 12 other states including North Carolina, Alabama, Mississippi, Louisiana, Georgia, Pennsylvania, Ohio, New Jersey, New York, Virginia, West Virginia and South Carolina were affected by the hurricanes and the severe storms that followed.

The summer hurricanes of 2004 have been among the largest disasters the SBA has ever handled, surpassing the \$1 billion in disaster loans approved after the attacks on September 11, 2001. Annual disaster loan approval amounts have averaged \$995 million during the last five fiscal years; the \$2 billion in loan making for hurricane victims occurred over an eight-month period. Meanwhile, the SBA continues to operate disaster recovery centers in Florida and is still processing loan applications.

Most of the loans—more than 50,000—were made to homeowners and renters. “As the residential areas stabilize and rebuild, those people will in turn support the recovery of the business community,” said SBA Administrator Hector V. Barreto.

The SBA makes low-interest disaster loans to homeowners, renters, and non-farm businesses of all sizes. Homeowners may borrow up to \$200,000 to repair disaster damaged primary residences. Homeowners and renters are eligible for loans up to \$40,000 to replace personal property such as furniture and clothing. Loans of up to \$1.5 million are available to eligible businesses of all sizes and non-profit organizations to repair damage to real estate, machinery, equipment and inventory. Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million are also available to small businesses unable to pay bills or meet operating expenses.

Interest rates can be as low as 2.8 percent for homeowners and renters and 4 percent for businesses, with terms up to 30 years. Loan amounts and terms are set by the SBA and are based upon each applicant’s financial condition.

For more information about SBA’s disaster assistance program, visit SBA’s Web site at [www.sba.gov/disaster](http://www.sba.gov/disaster).

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