



News Release

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SBA Approves over \$1 Billion In Disaster Loans To Businesses Affected By 2005 Hurricanes

WASHINGTON - The U.S. Small Business Administration has approved \$1.05 billion in low-interest disaster loans to 12,455 Gulf Coast and Florida businesses that survived the devastating 2005 hurricanes.

“The SBA remains strongly committed to helping businesses recover and rebuild. Disaster assistance to survivors of the 2005 Gulf Coast hurricanes remains our top priority,” said SBA Administrator Hector V. Barreto.

“These businesses will lay the foundation for a renewed economic base in the affected region. This is now the largest disaster response in the SBA's 52-year history and we will stay on the ground until our job is complete,” he said.

There are two types of disaster loans designed for businesses. A business of any size may obtain loans to finance the reconstruction of a business that has been physically damaged. Small businesses may receive an economic injury disaster loan if they have been economically impacted by a disaster.

Overall, the SBA has approved nearly 60,800 loans for \$4.3 billion to homeowners, renters and businesses in the declared disaster area, surpassing what was previously the largest response to date, the 1994 Northridge Earthquake.

In addition, decisions have been rendered on over 57 percent of all loan applications, and damage inspections have been conducted on nearly 244,900 properties. The SBA has already processed almost 97 percent of the disaster applications for economic injury disaster loans. More than 214,000 loan applications have been processed; disbursements have been made in 38 percent of the approved loans.

More than 1,900 loans totaling \$369 million have been made to small businesses in the affected areas through the SBA's two regular (non-disaster) business loan programs. The first is the 7(a) general business loan guarantee program. The other is the 504, Certified Development Company loan program used for financing fixed assets.

For more information on the SBA's disaster assistance programs, please visit:
http://www.sba.gov/disaster_recov/hurricanes/