

U.S. SMALL BUSINESS ADMINISTRATION
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NEWS RELEASE

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SBA OFFERS FEDERAL DISASTER LOANS
TO SAN DIEGO COUNTY FIRE VICTIMS

WASHINGTON - SBA Administrator Hector V. Barreto today declared San Diego County a disaster area due to damage caused by the Pines fire in the Ranchita and Julian areas. The fires occurred from July 29 to August 12.

The U.S. Small Business Administration's disaster declaration makes low-interest federal disaster loans available to homeowners, renters, and businesses of all sizes whose property was damaged or destroyed by the fire.

"SBA loan funds are available now and can be used to start the rebuilding process right away," Barreto said. The administrator also urged fire victims not to wait for their insurance settlement or other compensation before applying to SBA. "These loans may be used to cover shortfalls from insurance settlements or other compensation," he continued.

The SBA is opening a disaster office in Ranchita tomorrow at 8 a.m. to assist victims in applying for these low-interest disaster loans. An SBA loan officer will be available at the Ranchita Fire Station, 37370 Montezuma Valley Road, to meet with each disaster victim interested in applying for a loan. "The loan officer will be able to answer specific questions about how the SBA disaster loan can support the recovery process, and provide individual assistance in completing the loan application," added Barreto.

The office will be open Mondays through Fridays from 8 a.m. to noon and 1 p.m. to 4:30 p.m. On Saturdays the center will be open from 9 a.m. to noon through September 14. The office will be closed Friday, August 30 through Tuesday, September 3 for the Labor Day holiday. It will reopen Wednesday, September 4 at 8 a.m. The office will be open again from Tuesday, October 15 through Monday, October 21 during the same hours.

Homeowners are eligible to borrow up to \$200,000 to repair or replace damaged or destroyed real estate. Homeowners and renters are eligible to borrow up to \$40,000 to repair or replace damaged or destroyed personal property.

Businesses of any size may borrow up to \$1.5 million to repair or replace damaged or destroyed real estate, machinery and equipment, inventory, and other business assets. Small businesses only may apply for Economic Injury Disaster Loans of up to \$1.5 million if they have been financially impacted by the disaster. These working capital loans can be used to help pay fixed debts, payroll, accounts payable, and other bills that can't be paid because of the disaster.

Individuals and business owners unable to visit SBA's disaster office may obtain information and loan applications by writing to SBA at P.O. Box 13795,

Sacramento, CA 95853-4795, or by calling toll-free (800) 488-5323. Hearing impaired individuals may call (916) 566-7388. Applications for property damage must be returned to SBA by October 21, 2002. Applications for economic injury must be returned by May 21, 2003.

To find out more about the SBA's disaster assistance program, visit the Web site at www.sba.gov/disaster.

For more information about all of the SBA's programs for small businesses, call the SBA Answer Desk at 1-800-U-ASK-SBA, or visit the SBA's extensive Web site at www.sba.gov.

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