



NEWS RELEASE

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SBA Helps Homeowners And Businesses Rebound In The Aftermath Of Devastating Tornadoes

WASHINGTON – In the aftermath of the deadly outbreak of tornadoes that recently tore through the Midwest and parts of the South, the U.S. Small Business Administration has so far approved more than \$15 million in low-interest disaster loans to homeowners, renters and businesses in the region.

Insurance industry officials have said the string of tornadoes is now considered the third-worst storm in U.S. history in terms of property damage.

The SBA is on-site, with employees from the office of disaster assistance working in recovery centers in Kansas, Missouri, Oklahoma, Texas, Mississippi, Alabama, Illinois and Tennessee. On April 24th President Bush declared nearly 200 counties in these states disaster areas.

“My heart goes out to all those who suffered losses when the tornadoes struck,” said SBA Administrator Hector V. Barreto. “The SBA is committed to working with the residents and business owners in these areas to make available the funds they need to rebuild and rebound. Helping to get these communities back on their feet will contribute to the growth of America’s economy.”

The SBA makes low-interest disaster recovery loans to homeowners, renters and non-farm businesses of all sizes. Homeowners may borrow up to \$200,000 to repair or replace damaged real estate. Individuals may borrow up to \$40,000 to cover losses to personal property. The interest rate for home loans is 2.8 percent and 2.9 percent for businesses and non-profit organizations.

Non-farm businesses and non-profit organizations of any size may apply for up to \$1.5 million to repair or replace business assets. Small businesses that suffered economic losses may apply for a working capital loan of up to \$1.5 million, even if the property was not physically damaged.

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 TDD 704-344-6640, or visit the SBA’s extensive Web site at <http://www.sba.gov>.

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