

PRESS OFFICE

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Homeowners, Renters and Businesses are Urged To Prepare for Disaster before it Strikes

WASHINGTON – With above-average activity predicted for the 2007 Atlantic Hurricane season beginning June 1, the U.S. Small Business Administration is urging homeowners, renters and businesses across the country to take steps now to protect their lives, property and businesses.

“The tornado that devastated Greensburg, Kansas, and the nor’easter that caused flood losses in several Northeast states are reminders that no matter where you live, there’s always a possibility of a major disaster,” said SBA Administrator Steven C. Preston. “Every threat, from wind storms, floods and wildfires, to power outages and computer system failures remind us to be proactive when it comes to having a plan to survive the disaster and recover quickly.”

The SBA stands by, ready to assist in the event of a disaster. During fiscal year 2006, the SBA approved more than \$11 billion in disaster loans. Most of those loans went to Gulf Coast residents who suffered losses after Hurricanes Katrina, Rita and Wilma.

Preparing for the worst-case scenario will ensure a quicker and less costly recovery.

Hurricane season disaster preparedness for homes and businesses should include:

- **A solid emergency response plan.** Find escape routes from the home or business and establish meeting places. Make sure everyone understands the plan beforehand. Keep emergency phone numbers handy. Business owners should designate a contact person to communicate with other employees, customers and vendors. Individuals should have an out-of-state friend or family member as a single point of contact.
- **Adequate insurance.** Disaster preparedness begins with having adequate insurance coverage—at least enough to rebuild your home or business. Homeowners and business owners should review their policies to see what isn’t covered. Businesses should consider “business interruption insurance,” which helps to cover operating costs during the post-disaster shutdown period. Flood insurance is essential. To find out more about the National Flood Insurance Program, visit the Web site at www.floodsmart.gov.
- **Making copies of important records,** backing up data saved on computer hard drives, and storing that information at a distant offsite location. Documents and CDs should be stored in fire-proof safe deposit boxes.

- **Protection of windows, doors and roofing.** Installing impact-resistant window and door systems, or simple plywood shutters installed before the storm hits can enhance their ability to resist impacts from wind-borne debris. Hire a professional to evaluate your roof to make sure it can weather a major storm.
- **A “Disaster Survival Kit.”** The kit should include a flashlight, a portable radio, extra batteries, a first-aid kit, non-perishable packaged and canned food, bottled water, a basic tool kit, plastic bags, cash, and a throw-away camera to take pictures of the property damage after the storm.

More preparedness tips for businesses, homeowners and renters are available on the SBA’s Web site at www.sba.gov/disaster_recov/prepared/getready.html. The Institute for Business and Home Safety (www.ibhs.org) also has information on protecting your home or business. The federal government’s preparedness Web site www.ready.gov is another helpful resource.

The SBA makes low-interest loans to homeowners, renters and non-farm businesses of all sizes following a disaster declaration by the President. 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.

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

To learn more about the SBA’s disaster assistance program, visit the Web site at <http://www.sba.gov/services/disasterassistance/index.html>.

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