



NEWS RELEASE

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SBA DISASTER RELIEF TOPS \$250 MILLION IN NYC

NEW YORK – The U.S. Small Business Administration (SBA) has approved more than \$250 million in disaster loans to over 3,100 New York City residents and businesses following the World Trade Center attacks, SBA Administrator Hector V. Barreto announced today.

“The Small Business Administration has focused the entire agency in this effort to help rebuild the economy of New York City, and we are proud to achieve this new milestone in our commitment to keep America open for business,” Barreto said.

Due to recent legislative changes, businesses may now qualify for loans of up to \$10 million, and a two-year deferment on principal and interest. The interest rate on these loans is capped at 4 percent, with a maximum term of 30 years. The deadline to apply for Physical Damage Disaster loans is March 11, 2002, and the deadline to apply for an Economic Injury Disaster Loan (EIDL) is June 11, 2002.

SBA, together with its many resource partners – lenders, Small Business Development Centers, SCORE and others – have teamed up to assist small business recovery in New York.

“Our partners are doing outstanding work to help these businesses recover,” Barreto said.

EIDLs make up the majority—80 percent—of the SBA disaster loans approved to small businesses in New York City since September 11th. These working capital loans are available to help small companies unable to pay bills or meet normal operating expenses such as payroll or accounts payable.

In addition to EIDLs, businesses of all sizes, nonprofit organizations, homeowners and renters located in the declared disaster areas may be eligible for loans to fund rebuilding efforts, and cover the costs of replacing lost or disaster-damaged personal property.

For help with the loan application process, visit a disaster recovery center or call 1-800-659-2955. For more information about the SBA’s disaster loan 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. Also, visit the SBA’s extensive web site at www.sba.gov.

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