



## Disaster Field Operations Center East

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### **SBA Advises Businesses and Residents in Puerto Rico Not to Wait for Insurance To Apply for a Disaster Loan; More Than \$206,000 Approved**

**ATLANTA** - The [U.S. Small Business Administration \(SBA\)](#) is encouraging **Puerto Rico** businesses and residents affected by the severe storms, flooding and landslides on Feb. 4-6, 2022 to submit their loan applications for physical damages even if they have not settled with their insurance company.

SBA disaster loans can cover the difference between an insurance settlement and what is needed to fully recover. If a survivor has not settled their insurance claim, SBA will consider making a loan for the total loss up to its loan limits. The insurance settlement will be used to reduce or repay the loan.

“Waiting to file an SBA application could cause unnecessary delays in receiving disaster assistance, and survivors may miss the **May 31** application deadline for physical disaster loans. Submitting the loan application is an essential part of the disaster recovery process,” said Kem Fleming, director of SBA Field Operations Center East.

As of Apr. 25, the SBA had already approved 10 disaster loans for a total of \$206,500.

The disaster declaration covers Cataño, Dorado, Toa Baja, Vega Alta and Vega Baja municipalities in **Puerto Rico**, which are eligible for both Physical and Economic Injury Disaster Loans from the SBA. Small businesses and most private nonprofit organizations in the following adjacent municipalities are eligible to apply only for SBA Economic Injury Disaster Loans: Bayamón, Corozal, Guaynabo, Manatí, Morovis, San Juan and Toa Alta in **Puerto Rico**.

Businesses and private nonprofit organizations of any size may borrow up to \$2 million to repair or replace disaster-damaged or destroyed real estate, machinery and equipment, inventory, and other business assets. Applicants may be eligible for a loan amount increase up to 20 percent of their physical damages, as verified by the SBA, for mitigation purposes. Eligible mitigation improvements may include a safe room or storm shelter, sump pump, elevation, retaining walls, and landscaping to help protect property and occupants from future damage caused by a similar disaster.

For small businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private nonprofit organizations, the SBA offers Economic Injury Disaster Loans to help meet working capital needs caused by the disaster. Economic Injury Disaster Loan assistance is available regardless of whether the business suffered any physical property damage.

Disaster loans up to \$200,000 are available to homeowners to repair or replace disaster-damaged or destroyed real estate. Homeowners and renters are eligible for up to \$40,000 to repair or replace disaster-damaged or destroyed personal property.

Interest rates are as low as **2.940** percent for businesses, **1.875** percent for nonprofit organizations and **1.438** percent for homeowners and renters, with terms up to 30 years. Loan amounts and terms are set by the SBA and are based on each applicant's financial condition.

Applicants may apply online using the Electronic Loan Application (ELA) via SBA's secure website at <https://disasterloanassistance.sba.gov/ela/s/> and should apply under SBA declaration #17381.

To be considered for all forms of disaster assistance, applicants should register online at [DisasterAssistance.gov](https://DisasterAssistance.gov) or download the FEMA mobile app. If online or mobile access is unavailable, applicants should call the FEMA toll-free helpline at 800-621-3362. Those who use 711-Relay or Video Relay Services should call 800-621-3362.

Businesses and individuals may also obtain information and loan applications by calling the SBA's Customer Service Center at 1-800-659-2955 (if you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services) or emailing [DisasterCustomerService@sba.gov](mailto:DisasterCustomerService@sba.gov). Loan applications can also be downloaded at [sba.gov/disaster](https://sba.gov/disaster). Completed applications should be mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

The filing deadline to return applications for physical property damage is **May 31, 2022**. The deadline to return economic injury applications is **Dec. 29, 2022**.

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#### **About the U.S. Small Business Administration**

*The U.S. Small Business Administration makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit [sba.gov](https://sba.gov).*