



Disaster Loan Assistance

Business Physical Disaster Loans

If you are in a declared disaster area and have experienced damage to your business, you may be eligible for financial assistance from the SBA. Businesses of any size and most private nonprofit organizations may apply to the SBA for a loan to recover after a disaster.

Loan Amounts and Use

SBA makes physical disaster loans of up to \$2 million to qualified businesses or most private nonprofit organizations. These loan proceeds may be used for the repair or replacement of the following:

- Real property
- Machinery
- Equipment
- Fixtures
- Inventory
- Leasehold improvements

The SBA Business Physical Disaster Loan covers disaster losses not fully covered by insurance. If you are required to apply insurance proceeds to an outstanding mortgage on the damaged property, you can include that amount in your disaster loan application.

If you make improvements that help reduce the risk of future property damage caused by a similar disaster, you may be eligible for up to a 20 percent loan amount increase above the real estate damage, as verified by the SBA.

You may not use the disaster loan to upgrade or expand a business, except as required by building codes.

Eligibility and Terms

A business of any size or most private nonprofit organizations that are located in a declared disaster area and have incurred damage during the disaster, may apply for a loan to help replace damaged property or restore its pre-disaster condition.

The interest rate will not exceed 4 percent if you cannot obtain credit elsewhere. For businesses and nonprofit organizations with credit available elsewhere, the interest rate will not exceed 8 percent. SBA determines whether the applicant has credit available elsewhere. Repayment terms can be up to 30 years, depending on your ability to repay the loan.

How to Apply

You can [apply online for an SBA disaster assistance loan](#). SBA will send an inspector to estimate the cost of your damage once you have completed and returned your loan application.

You must submit the completed loan application and a signed and dated [IRS Form 4506-T](#) giving permission for the IRS to provide SBA your tax return information.

For additional information, please contact the SBA disaster assistance customer service center. Call 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail disastercustomerservice@sba.gov.

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