

# Making Irene Recovery Affordable for Your Business and Home

## *Frequently Asked Questions and Clarifying the Myths about SBA Assistance*

### **The SBA can assist homeowners? Isn't this the Small Business Administration??**

It is. But, for **homeowners and renters** in counties that are in federally declared disaster areas, SBA may be a good resource to pursue. The SBA can provide low-interest loans to eligible borrowers with very favorable terms. They can't provide you with a loan to build that in-ground pool and steam room that you have been dreaming of, but they can help with damages to your home caused by Tropical Storm Irene.

Don't let the word "business" mislead you. Over 70% of the assistance SBA is providing for Irene recovery in Vermont is going to renters and homeowners.

### **I am a small business owner that has already borrowed from VEDA. Can I still access SBA funding?**

Sure. If the VEDA loan (and any insurance settlement) isn't going to cover your needs, you should absolutely talk to SBA. Their borrowing limit is \$2million.

The average SBA business loan for Irene recovery in Vermont is close to \$115,000; a monthly payment on that amount could be \$550. SBA will consider rolling anything you have already spent on recovery into that loan. And just like home loans, SBA can consider refinancing existing obligations to make repayment affordable. SBA will give you time to get back to normal; payments don't begin until five months after the loan is made.

### **I've heard that the application process for an SBA loan is very time consuming and the approval process takes way too long.**

It's a loan application, so there are details to be addressed, but it isn't difficult. The best way to approach an SBA loan is to tackle it with an **SBA Representative** at a disaster recovery center or a **Vermont Small Business Development (SBDC) Counselor** or call **the SBA Help Line at 1-800-659-2955**. That way, you will ensure that all of the information is complete.

The application for businesses is only two pages long and you probably have most of the information handy anyway.

### **I am pretty sure that I won't qualify for an SBA loan. Why should I even bother to try?**

What makes you so sure? You won't know until you talk to an SBA Representative. If you are a business owner, homeowner, or renter in an eligible county and are seeking assistance to rebuild your business or home, it is worth taking a few minutes to chat with the SBA folks or a Vermont SBDC Counselor. Or, you can call the SBA Help Line at **1-800-659-2955**

### **I have received a grant from FEMA, but I still need to make more repairs to my home. Can I still pursue SBA funding?**

Yes. FEMA assistance normally doesn't cover everything that homeowners need to fully repair their homes.

If SBA does offer you a loan they will do everything they can to make it affordable. The average home loan for Irene recovery in Vermont is \$47,000; monthly payment could be \$187/month with SBA's 2.5% rate and 30-year term.

### **I have been told I have too many assets to qualify for SBA assistance**

SBA loans are based on the damages caused by Tropical Storm Irene and your ability to repay. It is not based on how many assets you have or don't have.