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# News Release

## **LOW-INTEREST DISASTER LOANS MAY BE GOOD OPTION IN THE LONG-TERM**

**BURLINGTON, Vt.** – Many residents who have been affected by the spring flooding may receive a packet from the U.S. Small Business Administration after registering with the Federal Emergency Management Agency. Those who are inclined to toss it in the trash may want to reconsider.

**SBA loans are not just for small businesses – they also offer low-interest disaster loans for homeowners and renters. No one is obligated to take out a loan. But if you don't complete the application, you will not be considered for other federal grants. Also, if you DO qualify for a loan, you have six months to exercise the option.**

“Knowing you have the option of a low-interest disaster loan may be a safeguard down the road should you receive less than expected from your insurance company, or if you notice damage after the registration deadline, such as to your furnace,” said Federal Coordinating Officer Craig Gilbert. “You can put the approved paperwork on the shelf for a few months and pull it down if you need to.”

The SBA offers disaster loans up to \$200,000 to repair or replace homes and up to \$40,000 to homeowners and renters for personal property losses. Interest rates are as low as 2.6 percent. FEMA grants and SBA loans can only be made for losses and damage NOT covered by insurance. Seniors should not worry that that receiving federal disaster assistance will jeopardize Social Security payments or Medicare benefits - they will not. They are not considered taxable income.

The SBA also offers disaster loans to disaster-damaged businesses of all sizes and non-profit organizations in the federally-declared counties. Two types of loan possibilities include:

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- Up to \$2 million to help replace damaged property or restore it to its pre-disaster condition;
- Economic injury disaster loans to provide necessary working capital until normal operations resume. These loans are available even if a business has not sustained physical damage. They are used to help pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster.

Those in **Addison, Chittenden, Essex, Franklin, Grand Isle, Lamoille and Orleans counties** have until **Aug. 15<sup>th</sup>** to register with FEMA and complete their SBA loan applications. **Call 800-621-3362 or go online at [www.DisasterAssistance.gov](http://www.DisasterAssistance.gov) or by smartphone at [m.fema.gov](http://m.fema.gov)**

*FEMA's mission is to support our citizens and first responders to ensure that as a nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards.*

*Disaster recovery assistance is available without regard to race, color, religion, nationality, sex, age, disability, English proficiency or economic status. If you or someone you know has been discriminated against, call FEMA toll-free at 800-621-FEMA (3362). For TTY call 800-462-7585.*

*FEMA's temporary housing assistance and grants for public transportation expenses, medical and dental expenses, and funeral and burial expenses do not require individuals to apply for an SBA loan. However, applicants who receive SBA loan applications must submit them to SBA loan officers to be eligible for assistance that covers personal property, vehicle repair or replacement, and moving and storage expenses.*

*SBA disaster loan information and application forms may be obtained by calling the SBA's Customer Service Center at 800-659-2955 (800-877-8339 for people with speech or hearing disabilities) Monday through Friday from 8 a.m. to 6 p.m. ET or by sending an e-mail to [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov). Applications can also be downloaded from [www.sba.gov](http://www.sba.gov) or completed on-line at <https://disasterloan.sba.gov/ela/>.*

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