



DISASTER NEWS

Physical and Economic Injury Loans for Businesses

SBA Disaster Assistance – Field Operations Center- East – 101 Marietta Street, NW, Suite 700, Atlanta, GA 30303

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SBA Opens Business Recovery Center For Minnesota Business Owners

ATLANTA – The U. S. Small Business Administration announces today that a Business Recovery Center is being established to help businesses impacted by the severe storms and flooding that occurred on March 16, 2009, and continuing. The center will open Monday, April 20, 2009, at 8 a.m.

“Due to the amount of physical and economic losses caused by severe storms and flooding in Minnesota we want affected businesses to have a resource where they can meet individually with SBA representatives and find out how a low-interest disaster loan can help them recover,” said Frank Skaggs, Director of SBA Field Operations Center East.

The SBA Business Recovery Center will open at the following location:

Clay County

Minnesota State University Moorhead
1104 7th Ave South
Center for Business Bldg, Room 109
Moorhead, MN 56563

Opens: Monday, April 20 at 8 a.m.

Hours: Monday – Saturday 8 a.m. to 6 p.m., until further notice

(Please only use the parking lot at the corner of 10th Street and 7th Avenue South)

“We strongly encourage affected businesses to visit the Business Recovery Center and meet individually with SBA representatives to find out how a low-interest disaster loan can help them recover,” said Ed Daum, SBA Minnesota District Director.

Businesses of any size and non-profit organizations may borrow up to \$2 million to repair or replace damaged or destroyed real estate, machinery and equipment, inventory and other business assets. The SBA also offers mitigation loans to disaster victims based on 20 percent of the verified physical loss. These funds are designed to help borrowers pay for protective measures to protect or minimize damages of the same kind in the future.

For small businesses, and private non-profit organizations of all sizes, the SBA offers Economic Injury Disaster Loans to help meet working capital needs, such as ongoing operating expenses. Economic Injury Disaster Loan assistance is available regardless of whether the business suffered any physical property damage.

Interest rates can be as low as 4 percent for businesses with terms up to 30 years. Loan amounts and terms are set by the SBA and are based upon each applicant’s financial condition.

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Victims should not wait to settle with their insurance companies before applying for disaster loan assistance. If a victim does not know how much of their loss will be covered by insurance or other sources, the SBA will consider making a loan for the total loss up to its loan limits, provided the borrower agrees to use insurance proceeds to reduce or repay their SBA loan.

Anyone unable to visit the Center may obtain an application by calling the SBA's Customer Service Center at 1-800-659-2955 (1-800-877-8339 for the hearing-impaired) Monday through Friday from 8 a.m. until 9 p.m., and Saturday and Sunday from 9 a.m. until 9 p.m. EDT or by sending an email to disastercustomerservice@sba.gov. Business loan applications can also be downloaded from the SBA website at www.sba.gov/services/disasterassistance. Completed applications should be returned to the Centers or mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX. 76155.

The deadline to return applications for physical damage is **June 9, 2009**; the deadline to return economic injury applications is **January 11, 2010**.

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For more information about the SBA's Disaster Loan Programs, visit our website at www.sba.gov/services/disasterassistance.