

How do SBA disaster loans work?

The [US Small Business Administration](#) (SBA) has always served as a protector of small businesses. The agency's primary goal is to provide financing to those who have been turned down by other lenders, but it also offers assistance to businesses impacted by hurricanes, earthquakes, wildfires, and other catastrophic events.

So how do [SBA disaster loans](#) work? If you are based in a declared disaster area and your business has been harmed, you can qualify for a [low-interest loan](#) to help with the recovery. The SBA's disaster loans are intended for businesses of all sizes, as well as private nonprofit organizations, homeowners, and renters.

If you're not sure whether or not your business falls within the boundaries of the disaster area, you can search the SBA's [online database](#). It lists all the nation's declared disasters by state and territory.

For those who qualify, here are 5 of the loans available:

1. [Business Physical Disaster Loans](#) : These loans are for businesses and organizations that are physically damaged in disasters. The amounts go up to \$2 million for those who qualify.
2. [Economic Injury Disaster Loans](#) : Even if your business wasn't physically destroyed in a disaster, economic damages could still occur. This type of loan provides up to \$2 million to help you handle various expenses.
3. [Home and Personal Property Loans](#) : True to the agency's name, most SBA loans are specifically designed for small business owners. But these disaster loans are actually meant to help entrepreneurs and non-entrepreneurs alike recover from home and property losses.
4. [Military Reservists Economic Injury Loans](#) : The SBA provides these loans to businesses that employ one or more military reservists called up to active duty. The funding helps the business continue its operations despite the temporary loss of the employee.
5. [Express Bridge Loan \(EBL\) Pilot Program](#) : This program helps to take care of businesses in the short-term while it waits for more substantial financial assistance to arrive. The loans only go up to \$25,000, but the funds arrive quickly so that business owners get some immediate relief.

If you're interested in applying for an SBA disaster loan, you should first register with the Federal Emergency Management Agency (FEMA). You can call them at 1-800-621-3362 or visit [DisasterAssistance.gov](#). The agency will provide you with a registration number, which serves as your admission ticket to all SBA online applications.

You'll also need to gather the business-related information and documentation required to complete

SBA applications. Examples include:

- Contact information
- Social Security number
- Employer Identification Number
- Deed/lease information
- Insurance information
- Financial details like income, account balances, and expenses

Following the submission of [your application](#), the SBA will arrange for one of its inspectors to come for an onsite visit. Once they've estimated the cost of the damages, you'll receive the details of your loan. The good news is that the SBA prioritizes disaster loans over its other types of financing, so these answers should arrive in just 2-3 weeks (which is lightning fast by SBA standards).
