



DISASTER NEWS

Economic Injury Loans for Small Businesses

SBA Disaster Assistance—Field Operations Center East—One Baltimore Place, Suite 300—Atlanta, GA 30308

Release Date: October 10, 2007
Release Number: 08-015, MN 11050

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SBA DISASTER LOANS AVAILABLE FOLLOWING SECRETARY OF AGRICULTURE DISASTER DECLARATION

ATLANTA - The U.S. Small Business Administration announces that federal disaster loans are available to small businesses located in declared Minnesota counties, as a result of drought that occurred May 1, 2007 and continuing.

“When the Secretary of Agriculture issues a disaster declaration to help farmers recover from damages and losses to crops, the Small Business Administration issues a declaration to assist small businesses affected by the same disaster,” said Frank Skaggs, Director of SBA Field Operations Center East.

Under this declaration, the SBA’s Economic Injury Disaster Loan program is available to farm-related and nonfarm-related small business concerns and small agricultural cooperatives that suffered financial losses or injury as a direct result of this disaster. Farmers and ranchers are not eligible to apply to the SBA, but nurseries are eligible to apply for economic injury disaster loans for losses caused by drought conditions.

These loans are available to small businesses located in the following primary counties in the State of Minnesota: Chisago, Dakota, Isanti, LeSueur, Lincoln, Meeker, Murray, Nobles, Otter Tail, Pine, Rock and Stearns.

In addition, small businesses located in the following contiguous counties in the State of Minnesota may apply: Aitkin, Anoka, Becker, Benton, Blue Earth, Carlton, Clay, Cottonwood, Douglas, Goodhue, Grant, Hennepin, Jackson, Kanabec, Kandiyohi, Lyon, McLeod, Mille Lacs, Morrison, Nicollet, Pipestone, Pope, Ramsey, Redwood, Renville, Rice, Scott, Sherburne, Sibley, Todd, Wadena, Waseca, Washington, Wilkin, Wright and Yellow Medicine.

Eligible small businesses may qualify for loans up to \$1.5 million. These loans are available at a 4 percent interest rate with loan terms up to 30 years. The SBA determines eligibility for the program based on the size and type of business and its financial resources. Loan amounts and terms are set by the SBA and are based upon each applicant’s financial condition. Under this disaster declaration, the SBA cannot provide loans to agricultural producers.

Interested business owners should contact the SBA’s Customer Service Center by calling 1-800-659-2955 (1-800-877-8339 for the hearing-impaired) Monday through Friday from 8 a.m. to 9 p.m. and Saturday from 9 a.m. to 5:30 p.m. EDT. Loan applications can also be downloaded from the SBA’s website at www.sba.gov/services/disasterassistance. Completed applications should be mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

Completed loan applications must be returned to SBA no later than May 14, 2008.

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