

# COVID-19 DISASTER RELIEF LOAN

THE U.S. SMALL BUSINESS ADMINISTRATION IS OFFERING DESIGNATED STATES AND TERRITORIES LOW-INTEREST FEDERAL DISASTER LOANS FOR WORKING CAPITAL TO SMALL BUSINESSES SUFFERING SUBSTANTIAL ECONOMIC INJURY AS A RESULT OF THE CORONAVIRUS (COVID-19). UPON A REQUEST RECEIVED FROM A STATE'S OR TERRITORY'S GOVERNOR, SBA WILL ISSUE UNDER ITS OWN AUTHORITY, AS PROVIDED BY THE CORONAVIRUS PREPAREDNESS AND RESPONSE SUPPLEMENTAL APPROPRIATIONS ACT THAT WAS RECENTLY SIGNED BY THE PRESIDENT, AN ECONOMIC INJURY DISASTER LOAN DECLARATION.

- SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance to help overcome the temporary loss of revenue they are experiencing.
- Loans to help pay fixed debts, payroll, accounts payable and other bills. The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%.
- SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years.
- For questions, please contact the SBA disaster assistance customer service center:
  - 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).

## Areas eligible for SBA disaster loans

Small business owners in all U.S. states and territories are currently eligible to apply for a low-interest loan due to Coronavirus (COVID-19). This includes all Navajo small business owners.

## Apply for a loan with SBA at <https://disasterloan.sba.gov/ela/>

Applicants are encouraged to apply online: <https://disasterloan.sba.gov/ela/>

If you do not have access to a computer or smartphone, please call SBA at 1-800-659-2955 for assistance.

## 3-Step Loan Process

SBA Expects a larger than usual demand, so start your application as soon as possible.

### STEP 1:

#### APPLY FOR LOAN

- Apply: 1) online; 2) in-person at a disaster center; or 3) by mail.
- Apply online <https://disasterloan.sba.gov/ela>
- As a business of any size, you may borrow up to \$2 million for physical damage.
- As a small business, small agricultural cooperative, small business engaged in aquaculture, or private non-profit organization you may borrow up to \$2 million for Economic Injury.
- As a small business, you may apply for a maximum business loan (physical and EIDL) of \$2 million.

### STEP 2:

#### VERIFICATION/PROCESSING

- SBA reviews your credit before conducting an inspection to verify your losses.
- An SBA verifier will estimate the total physical loss to your disaster damaged property.
- A loan officer will work with you and determine your eligibility during processing, after reviewing any insurance or other recoveries.
- SBA can make a loan while your insurance recovery is pending.
- A SBA loan officer works with you.
- A decision is given within 2 - 3 weeks.
- You will also be advised in writing of all loan decisions

### STEP 3:

#### COMPLETE/DISBURSE

- SBA will prepare and send your Loan Closing Documents to you for your signature.
- Upon first approvals initial disbursement will be made to you within 5 days:
  - Physical damage: \$25,000
  - Economic injury (working capital): \$25,000 (In addition to the Physical damage disbursement)
- You receive a case manager to assist you, who will schedule subsequent disbursements until you receive the full loan amount.
- Your loan may be adjusted after closing.
  - Additional repairs needed.
  - Additional insurance funding arrives.

## CONTACT INFO:

Navajo Nation Division of Economic Development & Navajo Nation Small Business Development

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- Douglas Capitan, Sr. Projects Specialist: [dwcapitan@navajo-nsn.gov](mailto:dwcapitan@navajo-nsn.gov)
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