



DISASTER FIELD OPERATIONS CENTER EAST

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Contact: Karen.Knapik@sba.gov

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SBA Offers Disaster Relief to North Carolina Small Businesses, Private Nonprofits and Residents Affected by Tropical Depression Chantal **Low interest disaster loans now available**

ATLANTA—The [U.S. Small Business Administration \(SBA\)](#) announced the availability of low interest federal disaster loans for North Carolina small businesses, private nonprofits, and residents affected by Tropical Depression flooding and tornadoes occurring July 6-13, 2025. The SBA issued a disaster declaration in response to a request received from Gov. Josh Stein on July 25, 2025.

The disaster declaration covers the primary counties of Durham and Orange as well as the adjacent counties of Alamance, Caswell, Chatham, Granville, Person and Wake which are eligible for both [Physical Damage Loans](#) and [Economic Injury Disaster Loans \(EIDLs\)](#) from the SBA.

Small businesses and private nonprofits are eligible to apply for business physical disaster loans and may borrow up to \$2 million to repair or replace disaster-damaged or destroyed real estate, machinery and equipment, inventory, and other business assets.

Homeowners and renters are eligible to apply for home and personal property loans and may borrow up to \$100,000 to replace or repair personal property, such as clothing, furniture, cars, and appliances. Homeowners may apply for up to \$500,000 to replace or repair their primary residence.

Applicants may also be eligible for a loan increase of up to 20% of their physical damage, as verified by the SBA, for mitigation purposes. Eligible mitigation improvements include strengthening structures to protect against high wind damage, upgrading to wind rated garage doors, and installing a safe room or storm shelter to help protect property and occupants from future damage.

SBA's EIDL program is available to small businesses, small agricultural cooperatives and private nonprofit (PNP) organizations with financial losses directly related to the disaster. The SBA is unable to provide disaster loans to agricultural producers, farmers, or ranchers, except for small aquaculture enterprises.

EIDLs are for working capital needs caused by the disaster and are available even if the business did not suffer any physical damage. They may be used to pay fixed debts, payroll, accounts payable, and other bills not paid due to the disaster.

Interest rates are as low as 4% for small businesses, 3.625% for PNPs, and 2.813% for homeowners and renters, with terms up to 30 years. Interest does not begin to accrue, and payments are not due, until 12 months from the date of the first loan disbursement. The SBA sets loan amounts and terms, based on each applicant's financial condition.

Beginning, Tuesday, July 29, SBA customer service representatives will be on hand at the Disaster Loan Outreach Centers (DLOCs) in the counties of Orange and Alamance to answer questions about SBA’s disaster loan program, explain the application process and help individuals complete their application. Walk-ins are accepted, but you can schedule an in-person appointment in advance at appointment.sba.gov.

The DLOC hours of operation are listed below:

<u>Disaster Loan Outreach Center (DLOC)</u> Orange County The Drakeford Library Complex 203 S Greensboro St Carrboro, NC 27510 Opening: Tuesday, July 29, 9:30 a.m. to 5 p.m. Hours: Monday – Friday, 8:30 a.m. to 5 p.m. Saturday, 10 a.m. to 2 p.m. Closed: Sunday Permanently Closing: Saturday, Aug. 30 at 1 p.m.	<u>Disaster Loan Outreach Center (DLOC)</u> Alamance County Alamance County Health Services 319 N Graham Hopedale Rd Burlington, NC 27217 Opening: Tuesday, July 29, 9 a.m. to 5 p.m. Hours: Monday – Friday, 8 a.m. to 5 p.m. Saturday, 10 a.m. to 2 p.m. Closed: Sunday Permanently Closing: Saturday, Aug. 30 at 1 p.m.
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“When disasters strike, SBA’s Disaster Loan Outreach Centers play a vital role in helping small businesses and their communities recover,” said Chris Stallings, associate administrator of the Office of Disaster Recovery and Resilience at the SBA. “At these centers, SBA specialists assist business owners and residents with disaster loan applications and provide information on the full range of recovery programs available.”

Disaster survivors should not wait to settle with their insurance company before applying for a disaster loan. If a survivor does not know how much of their loss will be covered by insurance or other sources, SBA can make a low-interest disaster loan for the total loss up to its loan limits, provided the borrower agrees to use insurance proceeds to reduce or repay the loan.

To apply online, visit sba.gov/disaster. Applicants may also call SBA’s Customer Service Center at (800) 659-2955 or email disastercustomerservice@sba.gov for more information on SBA disaster assistance. For people who are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

The filing deadline to return applications for physical property damage is **Sept. 23, 2025**. The deadline to return economic injury applications is **April 27, 2026**.

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About the U.S. Small Business Administration

The U.S. Small Business Administration helps power the American dream of business ownership. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit www.sba.gov.



U.S. Small Business
Administration

U.S. SMALL BUSINESS ADMINISTRATION FACT SHEET - DISASTER LOANS

NORTH CAROLINA Declaration 21206 & 21207

(Disaster: NC-20020)

Incident: TROPICAL DEPRESSION CHANTAL – FLOODING AND TORNADOES

occurring: July 6, 2025 through July 13, 2025

in the North Carolina counties of: **Durham and Orange**; and the contiguous North Carolina counties of: **Alamance, Caswell, Chatham, Granville, Person, and Wake**

Application Filing Deadlines:

Physical Damage: September 23, 2025

Economic Injury: April 27, 2026

If you are located in a declared disaster area, you may be eligible for financial assistance from the U.S. Small Business Administration (SBA).

What Types of Disaster Loans are Available?

- **Business Physical Disaster Loans** – Loans to businesses to repair or replace disaster-damaged property owned by the business, including real estate, inventories, supplies, machinery and equipment. Businesses of any size are eligible. Private, non-profit organizations such as charities, churches, private universities, etc., are also eligible.
- **Economic Injury Disaster Loans (EIDL)** – Working capital loans to help small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period.
- **Home Disaster Loans** – Loans to homeowners or renters to repair or replace disaster-damaged real estate and personal property, including automobiles.

What are the Credit Requirements?

- **Credit History** – Applicants must have a credit history acceptable to SBA.
- **Repayment** – Applicants must show the ability to repay all loans.

What are the Interest Rates?

By law, the interest rates depend on whether each applicant has Credit Available Elsewhere. An applicant does not have Credit Available Elsewhere when SBA determines the applicant does not have sufficient funds or other resources, or the ability to borrow from non-government sources, to provide for its own disaster recovery. An applicant, which SBA determines to have the ability to provide for his or her own recovery is deemed to have Credit Available Elsewhere. Interest rates are fixed for the term of the loan. The interest rates applicable for this disaster are:

Physical Damage Loan Types	No Credit Available Elsewhere	Credit Available Elsewhere
Home Loans	2.813%	5.625%
Business Loans	4.000%	8.000%
Non-Profit Organizations	3.625%	3.625%

Economic Injury Loan Types	No Credit Available Elsewhere	Credit Available Elsewhere
Businesses & Small Agricultural Cooperatives	4.000%	N/A
Non-Profit Organizations	3.625%	N/A

What are Loan Terms?

The law authorizes loan terms up to a maximum of 30 years. However, the law restricts businesses with credit available elsewhere to a maximum 7-year term. SBA sets the installment payment amount and corresponding maturity based upon each borrower's ability to repay. Borrowers may be required to provide collateral.

What are the Loan Amount Limits?

- **Business Loans** – The law limits business loans to \$2,000,000 for the repair or replacement of real estate, inventories, machinery, equipment and all other physical losses. Subject to this maximum, loan amounts cannot exceed the verified uninsured disaster loss.
- **Economic Injury Disaster Loans (EIDL)** – The law limits EIDLs to \$2,000,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by SBA, less business interruption insurance and other recoveries up to the administrative lending limit. EIDL assistance is available only to entities and their owners who cannot provide for their own recovery from non-government sources, as determined by the U.S. Small Business Administration.
- **Business Loan Ceiling** – The \$2,000,000 statutory limit for business loans applies to the combination of physical, economic injury, mitigation and refinancing, and applies to all disaster loans to a business and its affiliates for each disaster. If a business is a major source of employment, SBA has the authority to waive the \$2,000,000 statutory limit.
- **Home Loans** – SBA regulations limit home loans to \$500,000 for the repair or replacement of real estate and \$100,000 to repair or replace personal property. Subject to these maximums, loan amounts cannot exceed the verified uninsured disaster loss.

What Restrictions are there on Loan Eligibility?

- **Uninsured Losses** – Only uninsured or otherwise uncompensated disaster losses are eligible. Any insurance proceeds which are required to be applied against outstanding mortgages are not available to fund disaster repairs and do not reduce loan eligibility. However, any insurance proceeds voluntarily applied to any outstanding mortgages do reduce loan eligibility.
- **Ineligible Property** – Secondary homes, personal pleasure boats, airplanes, recreational vehicles and similar property are not eligible, unless used for business purposes. Property such as antiques and collections are eligible only to the extent of their functional value. Amounts for landscaping, swimming pools, etc., are limited.
- **Noncompliance** – Applicants who have not complied with the terms of previous SBA loans may not be eligible. This includes borrowers who did not maintain flood and/or hazard insurance on previous SBA loans.

Note: Loan applicants should check with agencies / organizations administering any grant or other assistance program under this declaration to determine how an approval of SBA disaster loan might affect their eligibility.

Is There Help with Funding Mitigation Improvements?

If your loan application is approved, you may be eligible for additional funds to cover the cost of improvements that will protect your property against future damage. Examples of improvements include retaining walls, seawalls, sump pumps, etc. Mitigation loan money would be in addition to the amount of the approved loan but may not exceed 20 percent of total amount of physical damage to real property, including leasehold improvements, and personal property as verified by SBA to a maximum of \$500,000 for home loans. It is not necessary for the description of improvements and cost estimates to be submitted with the application. SBA approval of the mitigating measures will be required before any loan increase.

Is There Help Available for Refinancing?

- SBA can refinance all or part of prior mortgages that are evidenced by a recorded lien, when the applicant (1) does not have credit available elsewhere, (2) has suffered substantial uncompensated disaster damage (40 percent or more of the value of the property or 50% or more of the value of the structure), and (3) intends to repair the damage.
- **Businesses** – Business owners may be eligible for the refinancing of existing mortgages or liens on real estate, machinery and equipment, up to the amount of the loan for the repair or replacement of real estate, machinery, and equipment.
- **Homes** – Homeowners may be eligible for the refinancing of existing liens or mortgages on homes, up to the amount of the loan for real estate repair or replacement.

What if I Decide to Relocate?

You may use your SBA disaster loan to relocate. The amount of the relocation loan depends on whether you relocate voluntarily or involuntarily. If you are interested in relocation, an SBA representative can provide you with more details on your specific situation.

Are There Insurance Requirements for Loans?

To protect each borrower and the Agency, SBA may require you to obtain and maintain appropriate insurance. By law, borrowers whose damaged or collateral property is located in a special flood hazard area must purchase and maintain flood insurance. SBA requires that flood insurance coverage be the lesser of 1) the total of the disaster loan, 2) the insurable value of the property, or 3) the maximum insurance available.

Applications for disaster loans may be submitted online using the MySBA Loan Portal at <https://lending.sba.gov> or other locally announced locations. Please contact the SBA's Customer Service Center by email at disastercustomerservice@sba.gov or by phone at 1-800-659-2955 for further assistance. For people who are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.