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nyc.gov/builditback

U.S. Small Business Administration Loan FAQ

Q. What does a U.S. Small Business Administration loan have to do with Build it Back?

A. The U.S. Small Business Administration (SBA) provides low-interest loans to homeowners, renters, and businesses, among others, in areas that receive a Presidential Disaster Declaration in the aftermath of hurricanes, floods, wildfires, tornadoes, and other events. The SBA began accepting applications for assistance from New Yorkers within days of Hurricane Sandy and stopped accepting applications from homeowners and renters on April 13, 2013.

If you applied for and received an SBA loan, Build it Back is required by the U.S. Department of Housing and Urban Development (HUD) to consider the amount of the loan you were awarded as a received benefit when determining the overall grant that you may be eligible for under Build it Back. This is done during the Award Calculation process.

Q. I applied and qualified for a U.S. Small Business Administration loan but didn't take one. Will that affect the amount of assistance I can get under Build it Back?

A. If you wrote or called the U.S. Small Business Administration (SBA) to reject a loan for which you were approved, then you declined your SBA loan.

If you declined your SBA loan, you will be offered the opportunity to meet with a Build it Back counselor. The counselor will work with you to document any hardships that may have prevented you from accepting the SBA loan that was offered to you. Acceptable hardships may include, but will not be limited to, a high debt-to-income ratio, job loss, reduced income, and emergency medical expenses. You will also be asked to provide information about the value of your home and your mortgage.

After your Build it Back counselor submits your hardship information, Build it Back will evaluate whether assistance from Build it Back is permissible under federal rules set by the U.S. Department of Housing and Urban Development (HUD).

If you declined your loan and still have unmet need – which means that you still need funds to repair or rebuild your home – Build it Back is required by the U.S. Department of Housing and Urban Development (HUD) to consider the reasons that you declined the SBA loan and if it should be considered a received benefit when determining your overall grant award.

Q. What if I declined a U.S. Small Business Administration loan and don't want to meet with a Build it Back counselor?

A. If you decide not to meet with a Build it Back counselor to document why you declined your U.S. Small Business Administration (SBA) loan, Build it Back will consider the full amount of the loan SBA offered you as a benefit you have already received when it determines your grant award. This is required by the U.S. Department of Housing and Urban Development (HUD).



WE ARE PLEDGED TO THE LETTER AND SPIRIT OF U.S. POLICY FOR THE ACHIEVEMENT OF EQUAL HOUSING OPPORTUNITY THROUGHOUT THE NATION. WE ENCOURAGE AND SUPPORT AN AFFIRMATIVE ADVERTISING AND MARKETING PROGRAM IN WHICH THERE ARE NO BARRIERS TO OBTAINING HOUSING BECAUSE OF RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

Q. What happens if Build it Back accepts my reason for declining a U.S. Small Business Administration loan?

A. In this case, Build it Back will not consider the amount offered to you by the U.S. Small Business Administration (SBA) as a benefit you have already received to complete work in your home and will not count the amount towards your unmet need.

Q. What happens if Build it Back does not accept my reason for declining a U.S. Small Business Administration loan?

A. In this case, the amount offered to you by the U.S. Small Business Administration (SBA) will be considered as a benefit you have already received to complete work in your home and will be used to help calculate your grant award. This is required by the federal Department of Housing and Urban Development.

Q. If Build it Back does not accept my reasons for declining a U.S. Small Business Administration loan, can I apply to have my loan reinstated?

A. If you choose, you may contact the U.S. Small Business Administration (SBA) to request that your loan get reinstated. You may have to provide documentation to SBA explaining why you are requesting that your loan get reinstated at this point in time. For more information, contact SBA at 1-800-659-2955.

Q. I have not yet declined my U.S. Small Business Administration loan. Should I decline it and go through counseling?

A. You must decide for yourself whether or not you should decline a loan. If you choose to decline your U.S. Small Business Administration (SBA) loan and go through counseling, Build it Back cannot guarantee that it will accept your reason for declining the SBA loan. In this case, you will still be required to transfer the full amount of the loan to Build it Back before repairs or rebuilding can begin.

Q. I have only partially drawn down my U.S. Small Business Administration loan. Can I decline the remaining amount?

A. Although you may partially decline the remaining amount, Build it Back must still consider the *entire* amount of the loan which you were approved to receive as a benefit. The Build it Back counseling process for U.S. Small Business Administration (SBA) loans is only available if you did not draw down any part of the SBA loan. This is required by the U.S. Department of Housing and Urban Development (HUD).



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