

SBA DISASTER LOAN: SOP 50 30 9

Refinancing Eligibility Requirements

For Homeowners, Renters, and Small Businesses



Substantial Damage

The applicant's property must be substantially damaged. This is a calculation done by loan officers at the time of processing. The property's damages are calculated by an SBA loss verifier.



Credit Availability

The applicant must not have credit available elsewhere. This calculation is based on credit scoring and the amount of available assets an applicant may have.



Repair or Replacement

The applicant must repair or replace the disaster-damaged property.



Pre-Existing Liens

Liens subject to refinancing must have existed prior to the disaster.



Eligible Liens

Only debts secured by a recorded mortgage, deed of trust, or similar instrument are eligible. SBA will verify with the lender.



Non-Eligible Liens

Liens owned by government agencies, unpaid taxes, or mechanics liens are not eligible.



Interim Loans

Repayment of interim or bridge loans can be considered under standard eligibility.



Insurance Recoveries

Insurance recoveries must be finalized before offering refinancing, with some exceptions.



Eligible Amount

Last July (2023), the SBA modified the maximum allowable refinancing loan from \$200,000 to \$500,000. This is in addition to the loan amounts for real estate repair, personal property, and mitigation.

Each applicant's scenario can vary. Applicants are encouraged to discuss refinancing, or any other topic, with their loan officer.