

SBA Debt Relief

Agency: Small Business Administration

Description: The SBA is offering debt relief to outstanding **7(a), 504, and microloans made prior to the coronavirus outbreak.**

Terms of Loan: The SBA promises to pay the principal, interest and fees on outstanding SBA loans, as well as those issued before Sept. 27, 2020.

For current SBA Serviced Disaster (Home and Business) Loans: **If your disaster loan was in “regular servicing” status on March 1, 2020**, the SBA is providing automatic deferments through December 31, 2020.:

- Interest will continue to accrue on the loan.
- 1201 monthly payment notices will continue to be mailed out which will reflect the loan is deferred and no payment is due.
- The deferment will NOT cancel any established Preauthorized Debit (PAD) or recurring payments on your loan. Borrowers that have established a PAD through Pay.Gov or an OnLine Bill Pay Service are responsible for canceling these recurring payments. Borrowers that had SBA establish a PAD through Pay.gov will have to contact their SBA servicing office to cancel the PAD.
- Borrowers preferring to continue making regular payments during the deferment period may continue remitting payments during the deferment period. SBA will apply those payments normally as if there was no deferment.
- After this automatic deferment period, borrowers will be required to resume making regular principal and interest payments. Borrowers that cancelled recurring payments will need to reestablish the recurring payment.

Where to Apply: Read more on the SBA’s website: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-debt-relief>

If you have questions about your current loan and whether or not your loan is automatically deferred, please contact your Loan Servicing Office directly using the following information:

Birmingham Disaster Loan Servicing Center:

Phone: 800-736-6048

Email: BirminghamDLSC@sba.gov

El Paso Disaster Loan Servicing Center:

Phone: 800-487-6019

Email: EIPasoDLSC@sba.gov