



COMMUNITY INVEST

Disaster Recovery



The **Disaster Recovery** program makes loans more affordable for storm victims to recover from weather-related damage to their homes, businesses or farms.

After a participating lender approves your loan, the **Disaster Recovery** program works with your lender to lower your interest rate, reducing the overall cost of repairs. You can use the loan to cover expenses if no other assistance is available or while you wait for insurance settlements or other aid to take effect.

Can I use this until my insurance kicks in?

Storm victims who expect insurance or other aid to cover their costs can apply for loans that cover the immediate cost of repairs.

What if I don't have insurance coverage?

Storm victims who sustain damages not covered by insurance can apply for loans that cover the cost of repairs. Loans can be repaid over a period of up to five years.



Community Invest in action:

Philip Gebhart's home in the village of Jerome withstood 120-mph winds, but not blowing debris. After his neighbor's roof and a tree crashed into his single-story house, his insurance company cut a check that covered most but not all of the damage. Gebhart and his bank turned to the Illinois State Treasurer's Office for a \$7,000 low-interest loan to bridge the gap. "I had to replace siding, windows and the roof, rebuild two porches, and I still had to survive," he said. "The loan came in very handy. I am fortunate for it."

COMMUNITY INVEST

DISASTER RECOVERY PROGRAM

Frequently Asked Questions



Dan Rutherford
ILLINOIS STATE TREASURER

The **Disaster Recovery** program helps Illinois residents, businesses and farmers obtain low-interest loans to recover from weather-related damage to property.

How does the program work?

For each approved project, the Treasurer's Office deposits funds at a discounted rate into an eligible financial institution. The Treasurer's Office "buys down" the interest rate, enabling home, business and farm owners to secure below-market rates for up to the first five years of the loan.

Who is eligible?

Illinois residents, businesses and farmers located in areas that have suffered from a natural disaster. A financial institution must approve the loan before the owner of a home, business or farm applies to take part in the program.

What is the amount of the loan?

The amount is based on the estimated costs of repairs and expenses related to the disaster.

What is the interest rate?

The maximum interest rate is 3 percent for qualifying borrowers at participating financial institutions.

What is the term of the loan?

The term of the loan is negotiated between the consumer and financial institution for any number of years. The Treasurer's Office may participate by depositing funds in the financial institution for up to the first five years of the loan, making an initial commitment of two years, with the ability to renew for an additional three years based upon satisfactory project compliance with the program guidelines.

Does the program guarantee the loan?

The program does not provide a loan guarantee or any type of credit enhancement to the borrower, nor does it have any impact on the financial institution's normal credit requirements.

Which lenders are eligible to participate? What if my financial institution is unfamiliar with the program?

More than 400 banks and financial institutions are eligible participate in the Treasurer's programs. Contact the Treasurer's Office or visit www.treasurer.il.gov for a complete list. If your financial institution does not participate or has questions about the program, please refer its loan officer to the Treasurer's Office.

How do I apply?

1. Contact the Treasurer's Disaster Recovery hotline at (866) 523-0641 to confirm you qualify for the program. Home business owners and farmers will be directed to the **Community Invest** division for a list of participating lenders.
2. Meet with a loan officer at a participating lender and secure loan approval. The financial institution must agree to use the program.
3. After you are approved for a loan, you must complete and submit the application for either the bridge loan or the uninsured loan.
4. If approved, the Treasurer's Office deposits state funds at your lender. The lender then lowers your interest rate for up to five years.