

Here is a copy of a letter from the SBA El Paso TX office we hope you never receive.



Published: 5-31-2018 Revised: 6-27-2018

Pay your SBA then send money to El Paso TX. Need SBA to endorse an insurance check, send to Fort Worth TX. If you owe money to the SBA they will forward your check to the El Paso TX office for you and then audit your account.

Three parts read very poorly for SBA. May be a systems person or just a poorly prepared standard letter. There are no typo's in this copy.

The amounts, name, address, accounts, numbers have been changed or removed.

Comment: Don't think for a minute you're going to get SBA to endorse any insurance check after you agreed and signed your SBA Loan. That is not what your contract says and to prove it try to have any federal grants or insurance money go to you without SBA hands all over it.

SBA Letter 2018

===== START SBA EL PASO TX LETTER TO DISASTER VICTIM =====

Dear Sir/Madam:

This letter is in reference to the settlement check in the amount of **\$30,000.00** submitted to the SBA for endorsement.

Unfortunately, as a result of **Full Duplication** of Benefits (DOB) in ICC, the SBA is required to return the check **UNENDORSED**.

Subsequently, it was determined that your account was over-disbursed in the amount of **\$15,365.00**, resulting from insurance recoveries. SBA is prohibited from providing loan funds which duplicates compensation from other sources.

Your revised total loan eligibility is less than the amount already disbursed to you.

In accordance with your Loan Authorization and Agreement (under paragraph header "**AGREEMENT TO REMIT AND ASSIGNMENT OF COMPENSATION FROM OTHER SOURCES**"), any compensation received for disaster losses must be remitted to SBA to reduce the outstanding balance of your loan.

You must have ALL parties endorse insurance check and return it to SBA. With all the proper endorsements in place, SBA will deposit the insurance check to your SBA account to apply the full amount of proceeds against the SBA loan balance.

In addition, you must provide SBA with a check or money order in the amount of \$15,365.00, which represents the balance of the full amount deemed as over disbursement. Remit the insurance settle check along with the check/money order to the address below for SBA's deposit to your account.

**U.S. Small Business Administration
10737 Gateway West, Suite 300
El Paso, Texas 79935**

Attn: Realty department

We must receive your payment within thirty (30) days from the date of this letter. Failure to comply will result in non-compliance of your Loan Authorization and Agreement. This may result the in liquidation of your account or automatic decline of any future servicing requests. (e.g., Deferments, Payment Reductions, Subordinations, Releases, etc.).

If you have any questions about this action, please contact Sonia Soto at toll free number at 1-800-487-6019 ext. 7138

===== **END SBA EL PASO TX LETTER TO DISASTER VICTIM** =====

UPDATE: 6-1-2018 2:20pm CST

I just received word that Congressman Garret Graves spoke with the SBA TX group and they agreed to not request the return of the over dispersed funds.

I will post the email or letter as soon as we receive a copy from the Louisiana 6th district Congressman Graves.

This is Great news for the Homeowner in this one case of SBA strong arming a DR4277 Disaster Victim. (2016 Floods Louisiana)

It was SBA that made the mistake but they felt calling in thousands of dollars in 30 days was the best solution and in the best interest of the Federal Government.

This report will stay online as a general public notice regarding the steps other SBA loan holders may need to take to reduce the risk of a unscheduled request to return funds.

You are welcome to copy and republish without permission.

The DR-4277 Flood victim has given permission to share this information.

Copy provided by TruckAndTools.Com developed by Murray Wennerlund.

Email help@truckandtools.com for additional information.

Copyright © 2019 TruckAndTools.Com All Rights Reserved.

Original location: <https://www.truckandtools.com/disaster/sba.asp?gdyk=61>

Published: 5-31-2018 Revised: 6-27-2018

Contribute

**TRUCK AND
TOOLS .COM**

TruckAndTools.Com