

NEWS RELEASE

Galveston Economic Development Partnership
1700 Strand, P.O. Box 8029, Galveston, Texas 77553



CONTACT: Jeffrey G. Sjostrom, President
(409) 770 - 0216
Email: sjostrom@gedp.org

SUBJECT: **Coronavirus – COVID 19 Business Recovery Loans**

FOR RELEASE: March 19, 2020

=====

The devastation from COVID 19 has prompted Galveston banks to reinstate a Business Recovery Loan program that proved successful following Hurricanes Ike and Harvey. **“HomeTown Bank, Moody National Bank and Texas First Bank** will again provide low-interest loans to help impacted businesses responding and/or recovering from economic damages that are in dire need of available gap financing,” said Jeffrey Sjostrom, President of the Galveston Economic Development Partnership (GEDP).

Victor Pierson of Moody National Bank stated "Following the success we achieved after Hurricanes Ike and Harvey, we passed this model on to other communities impacted by natural disasters. Today, it only makes sense to restart this lending program for COVID 19. It is an immediately useful recovery tool and is designed to sustain businesses throughout this difficult time. The model is fully inclusive and any bank that wishes to participate is welcome to join and help grow this important program."

Following the devastation of Hurricanes Ike and Harvey, these Banks came together in creating a program that could provide low-interest, short-term - gap financing to businesses negatively impacted by the disaster. This program evolved into a national model for business recovery and today, these lenders are pleased to announce that they stand united to once again assist businesses impacted by the Coronavirus – COVID 19.

Jimmy Rasmussen of HomeTown Bank said “This loan program proved to be an asset after the devastation of Hurricanes Ike and Harvey and we consider ourselves fortunate to be in a position to be able to offer it again, during this challenging time, as our community responds and recovers from this pandemic. We want to help local businesses weather this disaster and provide resources that assist our businesses and their families.”

This program provides for a short-term (180 day) low interest (fixed rate – 3.25% APR) single-pay note. The APR (Annual Percentage Rate) will be offered for a limited time (through June 30, 2020) and is intended to provide gap financing for businesses awaiting insurance, SBA or other funding in their long-term recovery.

Participating banks envision extending these loans throughout their customer base with the hope of other banks joining in for expanding the program throughout the affected region, expediting the economic recovery of our communities. “Texas First Bank is pleased to offer this community-minded assistance program and I encourage other community banks to join me in providing this valuable product” said Chris Doyle of Texas First Bank.

For further information about the COVID 19 Business Recovery Loan program call the GEDP (409/770-0216), visit our website, www.gedp.org or contact any of the participating banks.