

Disaster Recovery Loan Program (DRLP) Frequently Asked Questions

This reference guide is for the 2025 disaster event.

What is the Disaster Recovery Loan Program?

The Minnesota Housing Disaster Recovery Loan Program (DRLP) offers loans through our participating lenders to eligible homeowners needing to repair or replace home damaged because of a natural disaster. A Disaster Recovery Loan can help fill the financial gap when private insurance and federal programs are not enough to return a home to its pre-disaster condition.

The program can be used for home repair or replacement when a county or Tribal Nation in Minnesota is named in a presidential declaration of major disaster.

Where is funding available?

Limited funding is available for homeowners who are a member or descendant of the Leech Lake Band of Ojibwe affected by the severe storms and straight-line winds on June 21, 2025.

How much assistance will the program provide?

Up to \$30,000 per property. Actual loan amount will be determined by an assessment survey.

Who is eligible to receive a Disaster Recovery Loan?

Member and descendant of the Leech Lake Band of Ojibwe:

- Homeowners living in their home as their primary residence; OR
- Owners of a 1-4 unit rental property

What property types are eligible?

The residential property must be one of these types:

- Single family detached home
- Duplex

- Triplex
- Fourplex
- Twin home
- Townhome
- Condominium unit
- Planned Unit Development (PUD)
- Manufactured home on a permanent foundation

What are the eligible uses of a loan?

The loan must be used to repair or replace a home to its pre-disaster or comparable condition. Homeowners must accept all federal program funding offers.

What are the loan terms?

- Zero interest
- Deferred payment (no monthly payments during the term of the loan) *
- Eligible for forgiveness*
- Unsecured with a note
- 10-year term

*What is required for the loan to be forgiven?

At the end of the loan term, the loan may be forgiven if the terms and conditions are met, including:

- **For borrowers that own their own home**, borrowers continue to live in the home as their primary residence during the term of the loan. Borrowers that sell or transfer ownership during the term of the loan will not be eligible for loan forgiveness and instead will be required to repay the full loan amount in a balloon payment at time of sale or transfer.
- **For rental properties**, the borrower must agree to charge rent which is equal to or below the amount determined as affordable to the local workforce during the term of the loan. If the borrower charges rent that exceeds what is affordable to the local workforce during the loan term, the loan will be due and payable in full. If the borrower sells the rental property during the term of the loan, the full loan amount will be due in full unless the property is sold with an agreement the new owner will comply with rent affordability for the remaining period.

What is the process for obtaining a DRLP loan?

Homeowners must first finance repairs with private insurance and federal programs. Complete these steps:

1. Contact insurance company and submit a claim
2. Submit all federal program applications. Homeowners should call each program and ask to apply:
 - Federal Emergency Management Agency (FEMA) at 800.621.3362
 - Small Business Administration (SBA) disaster loan at 800.659.2955
3. Contact the participating Disaster Recovery Loan Program lender (see below)

Why do I have to apply to the Small Business Administration?

The U.S. Small Business Administration (SBA) has federal programs to help businesses, homeowners and renters recover from a declared disaster. Disaster home loans are available for homeowners. Owners of rental property apply for a disaster business loan.

Is there a deadline to apply for DRLP funding?

Yes. The deadline is **October 30, 2026**.

Where should homeowners apply?

To find out more and apply for the program, contact the participating Disaster Recovery Loan Program lender serving your community:

Leech Lake Band of Ojibwe members and descendants:

[Woodland Bank](#)

217 Main Ave, Deer River, MN 56636

Contact: Chris Henrichsen, chrich@woodland.bank or 218.999. 0590

Questions?

DRLP.MHFA@state.mn.us

651.296.8215 | 800.710.8871

In connection with Single Family Division loan programs, Minnesota Housing does not make or arrange loans. It is neither an originator nor creditor and is not affiliated with any Lender. The terms of any mortgage finance transactions conducted in connection with these programs, including important information such as loan fees, the annual percentage rate (APR), repayment conditions, disclosures, and any other materials which are required to be provided to the consumer are the responsibility of the Lender.