



# Rural Business and Cooperative Programs

## Intermediary Relending Program (IRP)

### What is the Purpose?

The purpose of the IRP is to provide loans to intermediaries to establish programs to provide loans to ultimate recipients for business facilities and community developments in order to alleviate poverty and increase economic activity and employment in rural areas (less than 25,000 population).

### Who is Eligible to Apply?

Private nonprofit corporations; Public agencies (State or local government); Indian tribes on Federal or State reservations or other Federally recognized tribal groups; or Cooperatives may become intermediaries. Ultimate recipients may be individuals, public or private organizations, or other legal entities.

### What are the Priority Selection Factors?

The following factors are used to rate eligible applications: Evidence of commitment of other funds (non-Federal sources and Intermediary contribution to ultimate recipient loan projects); Economic conditions (median household income; local unemployment rate; demonstrated record of assisting underrepresented groups; population); Intermediary contribution to revolving loan fund; Experience; and Community representation on board.

### What Types of Projects are Eligible?

Agency funds must be used by the intermediary to provide direct loans to eligible ultimate recipients. Eligible loan projects include but are not limited to the following: Business and industrial acquisitions that will keep business from closing, prevent loss of employment, or provide expanded employment; Business construction, conversion, enlargement, repair, modernization, or development; Purchase and development of land, easements, rights-of-way, buildings, facilities, leases, or materials; Purchase of equipment, leasehold improvements, machinery, or supplies.

### What are the Rates and Terms?

The Agency loan to the intermediary bears a 1% fixed annual interest rate. The maximum repayment of the loan is 30 years. Principal and interest payments will be scheduled at least annually.

### How Are Applications Made?

Intermediaries are encouraged to contact the State Office to discuss the application process. Applications are reviewed and selected for funding on a quarterly, statewide competitive basis. Applications not selected for State allocated funding may compete for National Office reserve funds.

### For Additional Information Contact:

Business and Cooperative Programs

1221 College Park Drive, Suite 200 | Dover, DE 19904

Phone: (302) 857-3628 | Fax: (302) 857-3635 | TDD: (302) 857-3585

[http://www.rurdev.usda.gov/BCP\\_irp.html](http://www.rurdev.usda.gov/BCP_irp.html)

"USDA is an equal opportunity provider, employer and lender."

To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).

DE/MD (Rev. 12/2011)