

Business and Cooperative Programs www.rurdev.usda.gov/rbs/index.html

| Program | Objective | Applicant | Uses | Population | Loan/Grant | Terms/Conditions |
|--|--|--|--|--|----------------------------|---|
| Business and Industry Guaranteed Loans | Create jobs and stimulate rural economies by providing credit enhancement to lenders. | Business applies through Federal or State Chartered banks, credit unions, savings & loan associations. | Most legal business purposes except production agriculture. Acquisition, start-up and expansion of businesses that create rural employment and refinancing. | All areas except cities of more than 50,000 and their contiguous and adjacent urbanized area. | Loan guarantee | Lender and borrower negotiate terms. Interest rate tied to published rate that may change no more often than quarterly. Guarantee generally 80% of bank loan. |
| Rural Business Enterprise Grants | Finance and facilitate the development of small and emerging private business enterprises. | Public bodies; private nonprofit corporations and federally recognized Native American tribal groups apply to Rural Development. | Construct buildings, plants, equipment, access streets and roads, utility and service extensions; establish a revolving loan fund or provide technical assistance to small and emerging businesses. | All areas except cities of more than 50,000 and their contiguous and adjacent urban or urbanizing areas. | Grant | When grant funds are used for revolving loan fund (RLF) the grantee makes loans to businesses from its RLF on terms consistent with security offered. If grant is used to purchase assets, ownership must stay with the grantee. |
| Rural Business Opportunity Grant | Finance technical assistance for business development planning in rural areas. | Public bodies, non-profit corporations, Indian tribes on Federal or state reservations and cooperatives with members that are primarily rural residents. | Technical assistance, leadership training, establish business support centers, economic development plans. | All areas except cities of more than 50,000 and their contiguous and adjacent urbanized area. | Grant | Must be completed within two years after project has begun. |
| Intermediary Relending Program Loans | Finance business facilities and community development projects in rural areas. | Public bodies, nonprofit corporations, Native American tribes, and cooperatives apply to Rural Development. | Community development projects, establishment or expansion of small businesses. | Rural areas and incorporated places with populations of less than 25,000. | Direct loan | The intermediary makes loans to businesses from its revolving loan fund on terms consistent with security offered. Intermediary pays 1% for 30 years. |
| Value-Added Producer Grant Program | To assist independent agricultural producers enter into value-added activities and emerging markets. | Independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority-controlled producer-based business ventures. | Funds can be used for planning purposes such as conducting feasibility studies or business plans, or it can be used as working capital to help start the operations of a venture. | All areas | Grant | Grants are awarded on a competitive basis. Funds cannot be used to build facilities or purchase equipment. There is a dollar for dollar matching requirement. |
| Rural Energy for America Program | To help agriculture producers and small businesses reduce energy costs and consumption through the <i>purchase of renewable energy systems or installation of energy efficiency equipment.</i> | Ag producers directly engaged in the production of Ag products, whereby 50% + of their income is derived from the operations; and rural small businesses that meet SBA's Small Business Size Standards. Municipalities, school districts and non-profit corporations are ineligible. | Purchase and installation of equipment, retrofitting, permit fees, interconnection and power purchase agreement fees, professional service fees for lawyers and engineers predevelopment expenses for energy audits, feasibility studies and business plans. In addition, stand alone feasibility studies for Renewable Energy projects. | Communities of less than 50,000 population and not contiguous to a community of 50,000 or more population. All areas in VT are eligible. Some areas in NH may be ineligible. | Grants and Loan Guarantees | Grants up to 25% of eligible project costs. Guaranteed loan up to 50% of project cost (combination loan and grant also cannot exceed 75% of eligible project costs). Renewable Energy (RE) grants up to \$500,000; Energy Efficiency (EE) grants up to \$250,000. Guaranteed loans up to \$25 million. Feasibility study required for RE projects. Energy audit required for EE projects. |

www.rurdev.usda.gov/vt

Housing Programs www.rurdev.usda.gov/rhs/index.html

| Program | Objective | Applicant | Uses | Population | Loan/Grant | Terms/Conditions |
|--|--|---|---|---|--|---|
| Single Family Home Ownership Direct Loans | Safe, well-built, affordable homes for rural Americans. | Families and individuals apply to Rural Development. | Buy, build, improve, repair or rehabilitate rural homes as the applicant's permanent residence. | Rural areas with populations of 20,000 or less. | Direct loan | Up to 100% of market value or cost, whichever is less. Loan amortized for 33/38 years. Applicant may be eligible for payment assistance (subsidy) on the loan. |
| Single Family Home Ownership Direct Repair Loans and Grants | To help very-low income applicants remove health and safety hazards or repair their homes. | Families and individuals who currently own their home apply to Rural Development. | Loan and grant purposes include: repair/replace roofs, winterizing, purchase or repair of heating system, structural repair, water/sewage connect fees, and similar uses. | Rural areas with populations of 20,000 or less. | Direct loan and grant | Loan terms to 20 years at 1%. Assistance to individual may not exceed \$20,000. Grants only available to very-low income applicants 62 years or older who cannot afford to pay 1% loan. |
| Single Family Home Ownership Guaranteed Loans | Assist eligible applicants in buying their homes by guaranteeing private lenders' loans. | Families and individuals apply to lender. | Loans may be made to purchase new or existing homes. | Rural areas with populations of 20,000 or less. | Loan guarantee | 30 year, fixed rate. Interest rate negotiated between lender and borrower. Loans to 100% of market value. |
| Mutual Self-Help Home Ownership Loans | Individual homes built by a group of applicants, with construction guidance of a non-profit organization. | Families and individuals apply to Rural Development. | Loan applications are processed on an individual basis for each participating family. | Rural areas with populations of 20,000 or less. | Direct loan | The individual families receive a direct loan from Rural Development. The non-profit housing organization gets grant to hire a supervisor and pay other administrative expenses. |
| Mutual Self-Help Housing Grants | Assist lower income families in building their own homes. | Nonprofits and Public Bodies. | Technical assistance to qualify and supervise small groups of families to build each other's homes. | Rural areas with populations of 20,000 or less. | Grant | Grant Agreement. |
| Rental Housing Section 515 Multi-Family Housing Program | Safe, well-built affordable rental housing for low to moderate income households. Family or Elderly project designation | Individuals, partnerships, corporations, for-profit and non-profit organizations. Annual NOFA. Applicants apply to RD by specific deadline. | New construction or acquisition of existing when there is substantial rehabilitation of rental housing. | Rural areas with populations of 20,000 or less. | Direct loan at 1% 30 year term and 50 year amortization. Project based RA may be offered up to 100% if agency makes available. | Loan to Value: Up to 100% of total development cost (non-profits); 97% (for profit) and 95% of total development costs (for profit organizations) with Low-Income Housing Tax Credits. Maximum RD Loan limit is \$1,000,000 |
| Rental Housing Section 538 Multi-Family Loan Guarantee Program | Safe, well-built affordable rental housing for residents up to 115% of Area Median Income. Family or Elderly project designation | Individuals, partnerships, corporations, for-profit and non-profit organizations. Annual NOFA. Lender applies to RD for Guarantee | New construction or acquisition of existing project when at least \$6,500 of rehab per unit is involved. | Rural areas with populations of 20,000 or less. | Term 25 year min., 40 year max. 25 year min for balloon with 40 year amortization. | Loan to Value: 90% or less for loans made to for-profit entities. 97% or less for loans made to non-profit entities. No maximum loan limit. |
| Housing Preservation Grants | Repair and rehabilitate housing owned or occupied by very low and low income rural families. | Public bodies and non-profit organizations apply to Rural Development. | Operate a program which finances repair and rehabilitation activities for single family and small rental properties. | Rural areas with populations of 20,000 or less. | Grant | Grant Agreement. |
| Farm Labor Housing | Safe, well-built affordable rental housing for farm workers. | Farm operators, public and private non-profit organizations. | New construction or substantial rehabilitation of rental housing. | None | Direct loans. Grants for eligible non-profits. | Up to 102% of total development cost. Up to 33 years to repay @ 1% interest. |

Direct Loans and Grants - Apply to Rural Development Loan Guarantees - Apply to Intermediary (approved banks, mortgage companies)

Mission Statement: To increase economic opportunity and improve the quality of life for all Rural Americans.

Community Programs

Community Facilities www.rurdev.usda.gov/rhs/index.html

***Utility Programs** www.rurdev.gov/rus/index.html

| Program | Objective | Applicant | Uses | Population | Loan/Grant | Terms/Conditions |
|---|---|--|---|---|--|---|
| Community Facilities Programs | Provide essential community facilities for rural communities. | Public bodies and non-profit organizations, and Indian tribes. Apply to Rural Development. | To build facilities and purchase equipment for fire and rescue, telecommunications, schools, libraries, hospitals, etc. | Rural areas with populations of 20,000 or less. | Direct loan, loan guarantee, or Grant. | Up to 100% of market value Up to 40 years or life of security Maximum grant 75% of project cost. |
| *Water and Waste Disposal Loans and Grants | Providing infrastructure for rural areas. | Public entities, tribes and non-profit corporations apply to Rural Development. | Build, repair, improve public water systems, and waste collection and treatment systems, and other related costs. | Rural areas, cities, and towns with up to 10,000 population. | Direct loan and grant. | Interest rates are set quarterly based on an index of current market yields for municipal obligations. Repayment period is a maximum of 40 years. Grant funds may be available. |
| *Water and Waste Disposal Loan Guarantees | Providing infrastructure for rural areas. | Public entities, tribes and non-profit corporations apply to Rural Development. | Construct, repair, modify, expand, improve water supply and distribution systems, and waste collection and treatment systems, and other related costs. | Rural areas, cities, and towns with up to 10,000 population. | Loan guarantee. | Eligible lenders obtain up to a 90% guarantee for loans made and serviced by them. Lenders should contact Rural Development Area or State Office. |
| *Solid Waste Management Grants | Provide technical assistance and/or training to help communities reduce the solid waste stream. | Non-profit organizations and public bodies. Apply to Rural Development. | Provide technical assistance and training to reduce pollution of water resources and improve management of solid waste facilities, reduction of solid waste in streams. | Rural areas, cities and towns with up to 10,000 population. | Grant | Projects funded based on selection at National Level – applications are accepted from October 1 st to December 31 st of each year. |
| Electric and Telecommunication Loans and Guarantees | Provide financial aid through direct and guaranteed loans for electric and telecommunications services. | For profit entities, non-profit and cooperative associations, public bodies, and other utilities. Apply directly to Rural Development National Office | Generation, bulk transmission facilities, and distribution of electric power. Enhance 911 emergency service, digital switching equipment, fiber optic cable, along with traditional main system telecommunications service and broadband services | Electric: Rural areas as defined by US Census. Telecommunications: Rural areas with populations of 5,000 or less | Direct loan and loan guarantee | Interest rates are established in accordance with 7 CFR 1745. |
| *Distance Learning and Telemedicine | Development and deployment of advanced telecommunication services throughout rural America. | Municipal corporation or other for-profit or not for profit corporations operating educational or health care facilities | Equipment for classrooms: cameras, videomonitors computers and LAN; and for physician consultation, radiology, x-ray scanners and digital microscopes. | Rural areas | Direct loan and/or grant. | Matching funds are required. |
| Rural Broadband Loans | The deployment of broadband service to eligible rural communities. | Legally organized entities providing or proposing to provide broadband service in eligible rural communities. Cannot serve more than 2 percent of the telephone subscriber lines installed in the U.S. | The construction, acquisition, and improvement of broadband transmission facilities and equipment; land and buildings used in providing broadband service; and the refinancing of Telecommunications Program debt. | Eligible rural communities with a population of 20,000 inhabitants or less. | Direct loan | Loans are made at the Treasury rate of interest at the time of the advance for a period equal to expected composite economic life of the assets financed. |

Direct Loans and Grants - Apply to Rural Development Loan Guarantees - Apply to Intermediary (approved banks, mortgage companies)

Summary of Program Purposes

| | Land & Building | Mach. & Equip. | Working Capital | Infrastructure And Site Development | Planning/ Training/ Tech. Asst. |
|---|-----------------|----------------|-----------------|-------------------------------------|---------------------------------|
| HOUSING PROGRAMS | | | | | |
| Single Family Housing - Direct Loan | • | | | • | |
| Single Family Housing - Guaranteed Loan | • | | | • | |
| Single Family Housing Repair - Loan/Grant | • | | | • | |
| Rural Rental Housing - Guaranteed Loan | • | | | • | |
| Rural Rental Housing - Direct Loan | • | | | • | |
| Farm Labor Housing - Loan/Grant | • | | | • | |
| Mutual Self Help Housing Grant | | | | | |
| Housing Preservation Grant | • | • | • | • | • |
| RURAL BUSINESS-COOPERATIVE PROGRAMS | | | | | |
| Business & Industry - Guaranteed Loan | • | • | • | • | |
| Rural Business Enterprise Grant | • | • | • | • | • |
| Intermediary Relending – Loan | • | • | • | • | |
| Value-Added Producer Grant Program | | | • | | • |
| Rural Business Opportunity Grant | | | | | • |
| Rural Energy for America Program | | • | | | |
| | | | | • | |
| COMMUNITY PROGRAMS | | | | | |
| Community Facilities - Direct Loan/Grant | • | • | | • | |
| Community Facilities - Guaranteed Loan | • | • | | • | |
| Water and Sewer - Loan/Grant | • | • | | • | |
| Water and Sewer - Guaranteed Loan | • | • | | • | |
| Solid Waste Management Grant | | | | | • |
| Distance Learning & Telemedicine - Loan/Grant | | • | | • | |
| Rural Broadband Access Loans | | | | • | |

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).

Area Office Locations

