



NEWS RELEASE

United States Department of Agriculture • Rural Development
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FOR IMMEDIATE RELEASE

Editor's note: The below news release, which contains detailed information about projects in Iowa, is a follow up to the release distributed earlier today by the USDA. The original news release can be found at www.usda.gov/wps/portal/!ut/p/.s.7.0.A/7.0.1OB?contentidonly=true&contentid=2009/10/0521.xml

Two Iowa Businesses Receiving \$4.4 Million in Loan Guarantee Funds from USDA Rural Development *Guaranteed Loans Provided Through Recovery Act Funds*

WASHINGTON, Oct. 21, 2009 – Agriculture Secretary Tom Vilsack today announced \$71.7 million in loan guarantees to assist 20 rural businesses in funding made available by the American Recovery and Reinvestment Act (ARRA).

Two businesses in Iowa are receiving \$4.4 million of this total.

The funding announced today is being made available through USDA Rural Development's Business and Industry Guaranteed Loan Program. Altogether, \$1.7 billion is available to businesses across the country through Recovery Act Business and Industry Guaranteed Loan Program funding.

“The Recovery Act funds announced today will help businesses get access to the capital they need to launch and expand their businesses and help bring additional jobs to America's small cities and towns,” Vilsack said. “President Obama and I are committed to building strong rural communities by helping businesses grow so we can put people back to work.”

USDA Rural Development is providing Bank of Iowa (Clarinda, Iowa) with loan guarantees totaling \$4.4 million to assist two north central Iowa manufacturing businesses with restructuring debt. These loan guarantees will help save 50 jobs.

Lenders accessing ARRA funds may qualify for a higher guaranteed level, a reduced guarantee fee, and no annual fee to help rural businesses with their startup, expansion and restructuring needs.

Eligible Business and Industry Loan Program applicants include private businesses, cooperative organizations, corporations, partnerships, non-profit groups, federally recognized Indian tribes, public bodies and individuals.

– More –

Committed to the future of rural communities.

“USDA is an equal opportunity provider, employer and lender.”
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD).

The funds will be targeted to creating and retaining quality jobs and serving difficult-to-reach populations and areas hardest hit by the current economic downturn. Learn more about the program by visiting www.rurdev.usda.gov/rbs/busp/b&i_gar.htm.

More information about USDA's Recovery Act efforts is available at www.usda.gov/recovery. More information about the Federal government's efforts on the Recovery Act is available at www.recovery.gov.

USDA Rural Development is an equal opportunity lender with a variety of direct and guaranteed rural credit programs involving single and multi-family housing, community facilities, water and sewer development and business and cooperative programs.

During the past year USDA Rural Development helped rural businesses in Iowa create or retain nearly 2,200 jobs, aided 1,600 families in buying their own home and assisted nearly 120 communities in improving community facilities and upgrading local infrastructure.

USDA Rural Development has 11 offices in Iowa serving 1.9 million Iowans living in rural areas and communities. Office locations include a State Office in Des Moines, along with Area Offices in Albia, Atlantic, Humboldt, Indianola, Iowa Falls, Le Mars, Mount Pleasant, Storm Lake, Tipton and Waverly.

USDA Rural Development's mission is to increase economic opportunity and improve the quality of life for rural residents. Rural Development fosters growth in homeownership, finances business development, and supports the creation of critical community and technology infrastructure.

Further information on the agency's programs is available by calling (515) 284-4663, at any Rural Development office, or by visiting www.rurdev.usda.gov/ia.