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# GUARANTEED LENDING LEDGER

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## Guaranteed Lending Provides Advantages for All

USDA Rural Development's guaranteed loan program provides lenders a way to reduce portfolio risk while also improving return on equity; two very important strategies in today's tightening lending culture. Guarantees also provide both security and liquidity to meet business financing needs. Rural Development has worked with 288 rural lenders in the past year to guarantee loans for business development projects, community facilities and housing opportunities.

December 2008



*Agriculture Under Secretary for Rural Development Tom Dorr participated in groundbreaking ceremonies for a new hospital in Mount Ayr.*

## Highlights of FY 2008

During fiscal year 2008, USDA Rural Development in Iowa excelled at guaranteed lending, experiencing a 159 percent increase in the number of loans. Iowa's Business Programs had the highest amount of guaranteed loans in state history totaling \$139.7 million, up 454 percent from 2007. Iowa's Community programs led the nation with 15 Community Facility Guaranteed Loans and \$26.1 million obligated, up 607 percent from 2007. Fiscal year 2008 was truly a notable and successful year for Rural Development in Iowa.

**Funding is available for 2009-Please call us today!**

## Awards

USDA Rural Development's Business Programs staff in Iowa recently received the most prestigious award given at the Department of Agriculture - the Secretary's Annual Honor Award - for "Supporting Increased Economic Opportunities and Improved Quality of Life in Rural America."

# Recently Funded Projects

USDA Rural Development would like to recognize and thank the following lenders for their participation in the guaranteed loan programs during the past year.

## Community Programs

Lender	Borrower Activity	Loan Amount
Arbor One, ACA, Florence, SC	Replacement hospital	\$14,048,000
Bank Plus, Estherville	Construct 16-unit assisted living facility	\$1,095,800
Central Bank, Storm Lake	Construct new medical clinic	\$401,000
Community Bank of Boone	Wheelchair assessable walking trail, meditative garden & driveway pavement for assisted living facility	\$30,000
Community Bank of Boone	Infrastructure for outdoor event center	\$5,000,000
First National Bank, Creston	Purchase & renovate building for office space, adult day care and wellness facility	\$550,000
First State Bank, Stuart	Equipment & furnishings for community cultural center	\$85,000
First Whitney Bank & Trust, Atlantic	Child care facility	\$100,000
Glenwood State Bank, Glenwood	Hospice equipment	\$150,000
Iowa State Bank, Sheldon	Construct community wellness center	\$2,800,000
Iowa State Bank & Trust Company, Fairfield	Add kitchen facility to civic center	\$1,038,000
Peoples Trust & Savings Bank, Guthrie Center	Purchase building for child care center	\$98,000
Security State Bank, Sutherland	Multi-purpose community building	\$203,800
State Bank of Toledo, Toledo	Health clinic roof replacement	\$10,056
Town & Country Credit Union, Harlan	Construction of a storage building for a water system	\$70,000
United Bank of Iowa, Lake City	Hospital roof repair	\$57,615

## Business Programs

Lender	Borrower Activity	Loan Amount
American Bank, NA, Le Mars	Corn Oil Plant	\$7,500,000
American National Bank, Holstein	Grain marketing, farm supplier	\$5,000,000
Bridge Community Bank, Mechanicsville	Materials recovery facility	\$991,333
Cedar Rapids Bank & Trust, Cedar Rapids	Manufacturing	\$6,600,000
Central Bank, Sioux City	Manufacturing	\$1,280,000
Citizens First National Bank, Storm Lake	Ag implement dealer	\$1,000,000
Excel National Bank, Beverly Hills, CA	Hotel (Iowa)	\$4,080,000
Farmers & Merchants Savings Bank, Waukon	Recreational vehicle dealer	\$910,000
Farmers State Bank, Marcus	Biodiesel	\$17,000,000
Freedom Financial Bank, West Des Moines	Feed mill expansion	\$807,500
First State Bank, Stuart	Nursing home/assisted living	\$3,000,000
Greenbelt Bank & Trust, Iowa Falls	Travel plaza	\$3,200,000
Greenbelt Bank & Trust, Iowa Falls	Manufacturer/service	\$550,000
Home Federal Savings Bank, Sartell, MN	Ethanol production (Iowa plant)	\$40,000,000
Iowa State Bank, Sheldon	Ag support service	\$7,000,000
Iowa State Savings Bank, Knoxville	Manufacturing	\$655,800
MB Financial Bank, Rosemont, IL	Pork processing (Iowa plant)	\$6,926,453
MetLife, Des Moines	Cheese Manufacturing	\$21,510,000
Peoples Bank, Lester	Restaurant	\$177,820
United Bank of Iowa, Carroll	Manufacturer	\$1,956,480
US Bank, Whiting	Nursing home/assisted living	\$3,921,230

## Community Fast Fact

Loans made through the Community Programs Guaranteed Loan Program can be guaranteed for up to 90%. The regulations governing the CP Guaranteed Loan Program are Rural Development Instruction [3575-A for community facilities](#) and [RUS instruction 1779](#) for water and waste.

## Business Fast Fact

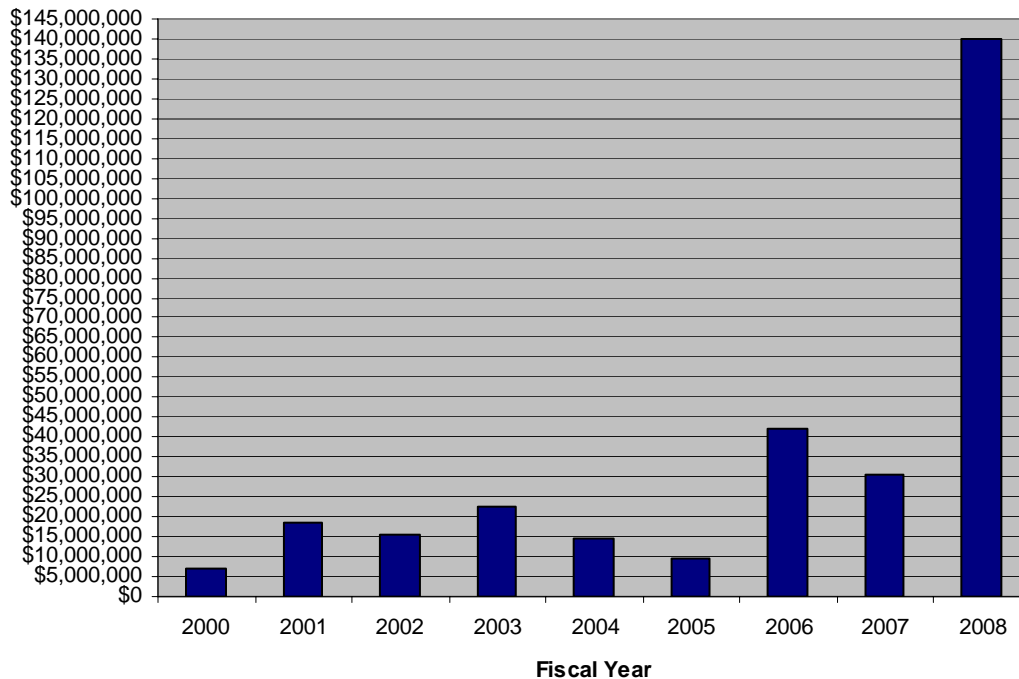
Loan guarantees of up to 80% are available through the Business and Industry Guaranteed Loan Program.

- Less than \$5 million = 80%
- Less than \$10 million = 70%
- Less than \$25 million = 60%

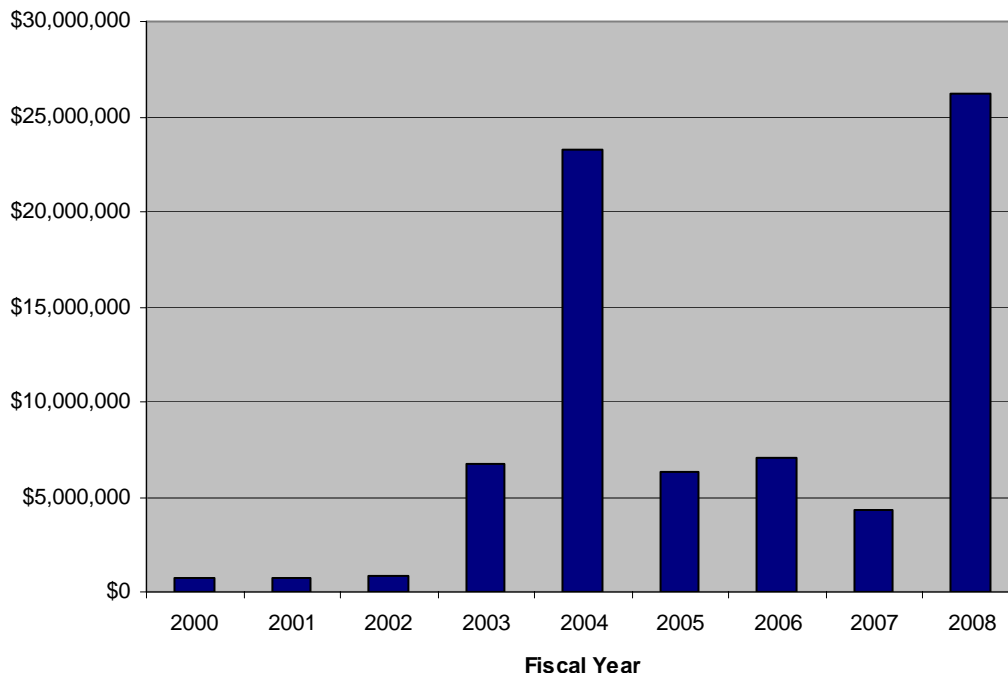
The maximum loan amount is \$25 million, unless the borrower is a cooperative-type organization, for which the maximum is \$40 million.

## Record-Setting Guaranteed Lending in Iowa

**BP Guaranteed Loan Activity  
For Fiscal Years 2000-2008**



**CP Guaranteed Loan Activity  
For Fiscal Years 2000-2008**



## Helpful Links

- [Iowa Rural Development Homepage](#)
  - [Map of Rural Development Offices and Staff Contact Information](#)
  - [Guaranteed Loan Program Information](#)
  - [Previous Issues of Newsletter](#)
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USDA Rural Development is an equal opportunity lender, provider and employer. Complaints of discrimination should be sent to

USDA, Director, OCR, Washington D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).