



Our mission is to increase economic opportunity and improve the quality of life for all rural Americans.



Low cost financing for...

•Business Projects

- business and energy loan guarantees
- grants for business development
- grants for renewable energy, energy efficiency and value added agriculture

•Community and Water Projects

- loan guarantees
- direct loans
- grants where need is demonstrated

•Housing

- loan guarantees
- direct loans
- repair grants for very low income seniors





Water and Environmental Programs

Purpose – to develop water & waste water disposal systems, including solid waste disposal and storm drainage in areas of population under 10,000.

Funds can be used to –

Construct, repair, improve and expand rural water supply, wells, pumping stations, pipelines etc.

Acquire a water supply or water right

Construct, repair, improve and expand waste collection, treatment, pumping, sewer lines, treatment plants, and lagoons.

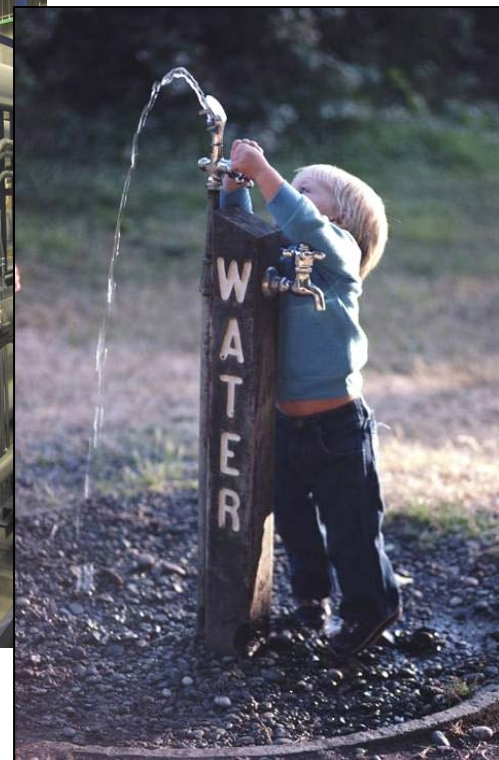
Land, legal and engineering.





Drinking Water Projects

- Reservoirs
- Distribution & Supply Lines
- Pump Houses and Telemetry
- Water Treatment Plants (Plant)
- Wells/Intakes (Source)





Sanitary Sewer Projects

- Collection Lines
- Sewer System Extensions
- Wastewater Treatment Plant Improvement
- Lift Stations





Solid Waste Disposal Projects



- Equipment
- Trash trucks
- Transfer stations
- Landfill



Rates & Terms



- Interest rates are set quarterly
As of 4/01/18
 - Poverty Line – 2.375%
 - Intermediate – 3.125%
 - Market – 3.875%Median Household Income of the service area determines rate
- Maximum term is 40 years or useful life of the facility



WEP Guaranteed Loan Program

- Private lenders provide financing for construction or improvement of water/waste projects in rural areas
- USDA provides 90% loan guarantee to bolster private credit structure



Lender Benefits

- Reduces lender risk by providing 90% guarantee on loss
- One time 1% guarantee fee/no annual servicing fees
- Loan may be sold on secondary market increasing lender's return
- Guaranteed portion of loan does not count against lending limits
- Interest rates may be fixed or variable
- Meets Community Reinvestment Act (CRA) requirements



Borrower Benefits

- Quicker access to capital
- Streamlined application process
- No technical review of engineering reports
- Less government oversight
- Lender of your choice
- 1926(b) protection



Community Facilities

Community Facilities assistance is available to public bodies, nonprofit organizations and Federal Recognized Indian Tribes to build, expand, or improve facilities and services for health care, education, public safety and public services. The project must be essential to the community and the community must have a population of 20,000 or less.



Funds can be used for fire trucks, stations and equipment; police stations, equipment and vehicles; libraries, child-care facilities, hospitals, adult day cares, civic centers, schools, etc.



Rates & Terms

Interest rates are set quarterly

As of 4/01/18

–Poverty Line – 4.50%

–Intermediate – 4.125%

–Market – 3.875%

Median Household Income of the service area determines interest rate.

Maximum term is based on useful life of the facility and/or equipment.



Rural Business & Cooperative Service

- Business Programs
- Energy Programs
- Cooperative Programs





Business & Industries Guaranteed Loans

This program provides financial backing for rural businesses through private-sector lenders. RD provides a guarantee for the loan to the lender which make it possible for private lenders to extend more credit than they typically would.

The maximum amount of the loan guarantee varies depending on the amount of the loan. The borrowers headquarters may be based within a larger city as long as the project is located in an eligible rural area of 50,000 population or less.



Speedsportz Race Track



Pineywoods Community Academy
Charter School



Hampton Inn & Suites - Nacogdoches



Restaurant & Truck Stop



Rural Energy for America Program

Through this program RD helps finance the cost of renewable energy systems and energy efficiency improvements for rural small businesses and agricultural producers.

Examples include:

- Install energy efficient lighting
- Install solar panels or wind turbines
- Heating, ventilation and air conditioning upgrades
- Upgrade refrigeration systems



Rural Business Development Grants

What does this program do?

RBDG is a competitive grant designed to support targeted technical assistance, training and other activities leading to the development or expansion of small and emerging private businesses in rural areas that have fewer than 50 employees and less than \$1 million in gross revenues. Programmatic activities are separated into enterprise or opportunity type grant activities. RBDG funds must be directed for projects benefitting rural areas or towns with populations less than 50,000.



Who may apply for RBDG funds?

Rural public entities including, but not limited to:

- Towns
- Communities
- State agencies
- Authorities
- Nonprofit Corporations
- Institutions of Higher Education
- Federally-recognized Tribes
- Rural Cooperatives

How Can Funds Be Used?

Enterprise type grant funds must be used on projects to benefit small and emerging businesses in rural areas as specified in the grant application. Uses may include:

- Training and technical assistance, such as project planning, business counseling/training, market research, feasibility studies, professional/technical reports, or product/service improvements
- Acquisition or development of land, easements, or rights of way; construction, conversion, renovation, of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities
- Pollution control and abatement
- Capitalization of revolving loan funds including funds that will make loans for start-ups and working capital



Opportunity type grant funding must be used for projects in rural areas and they can be used for:

- Community economic development
- Technology-based economic development
- Feasibility studies and business plans that will identify and analyze business opportunities that will use local rural materials or human resources.
- Leadership and entrepreneur training
- Rural business incubators
- Long-term business strategic planning



Intermediary Relending Program (IRP)

What does this program do?

- Provides low-interest loans to local lenders that re-lend to businesses and for community development projects in rural communities.

Who may apply to be an IRP lender?

- Nonprofits
- Cooperatives
- Federally recognized Tribes
- Public bodies



IRP Eligibility – Ultimate Recipient

Loan purposes:

- The acquisition, construction, conversion, enlargement, or repair of a business or business facility, particularly when jobs will be created or retained
- The purchase or development of land (easements, rights of way, buildings, facilities, leases, materials)
- The purchase of equipment, leasehold improvements, machinery, or supplies
- Start-up costs and working capital
- Pollution control and abatement
- Transportation services
- Feasibility studies and some fees
- Hotels, motels, convention centers
- Education institutions
- Aquaculture based rural small business
- Revolving lines of credit



IRP Loan Rates / Terms

- Intermediary
 - 30 Years
 - 1% Fixed
 - 3 year Interest-only

ECOA – Rates to businesses should be predictable / equitable.
- Ultimate Recipient
 - Negotiated
 - Reasonable to collateral
 - Within Work Plan criteria
 - Rate congruent with Work Plan



Rural Economic Development Loan & Grant



Value Added Producer Grant



Rural Housing Service (RHS)

- Multi-Family Housing
- Single-Family Housing



MULTI-FAMILY HOUSING

Multi-Family Housing Complex - Timpson



Guaranteed Multi-Family Housing – Prospect Point - Jasper

SINGLE FAMILY HOUSING - DIRECT

Direct 502 - Existing



Financing available to very-low, low and moderate income individuals or families in rural areas to build or purchase existing homes.

Applicant must meet the income guidelines, have acceptable credit, not currently own a home and the home must be modest in size and design and be located in a rural area.

Valladaras - Copper Creek - Lufkin



Direct 502 – New Construction

We can finance an existing home or the construction of a new home. The maximum square footage is 2,000 sq foot.



Before



After



The 504 Housing Repair Program is for very-low homeowners to make repairs to their existing home. The homes must be located in a rural area.



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