



Top 10 Reasons to Choose a USDA B&I Guaranteed Loan this Year

10. **Only one loan for multiple purposes** such as real estate acquisition, equipment refinance, etc. and loan fees are eligible project costs.
9. **Higher loan amounts available** up to \$10 million, and up to \$25 million for high priority businesses.
8. **High loan guarantee percentages** include 80% guarantee for loans up to \$5 million; 70% guarantee for loans over \$5 million and up to \$10 million; 60% guarantee for loans over \$10 million. An active secondary market is available to purchase the guaranteed portion for lender premium earnings, and **lenders keep 100% of premium.**
7. **No minimum owner occupancy requirement** for borrowers acquiring or refinancing real estate. Investment properties such as retail or office lease facilities are eligible.
6. **Flexible interest rate pricing** allows lenders to choose variable or fixed, with or without ceilings or floors as long as it is a legal rate. Lenders may include prepayment penalties, although USDA does not have one.
5. **No size standard criteria for applicants** means eligible applicants can vary from individual proprietorship to a publicly traded company.
4. **Easy to understand guarantee fee calculation** is 3% of guaranteed portion for regular guarantee, or 1% of guaranteed portion for high impact business loans up to \$5 million. Also, the fee may be included as an eligible use of loan proceeds.
3. **Longer loan terms** help lower monthly payments for your borrowers. Terms are up to 30 years for real estate, 15 years for equipment and 7 years for working capital.
2. **No “credit available elsewhere” requirement** so lenders benefit from a guarantee whether for liquidity or other regulatory purposes.
1. **Friendly, helpful USDA Rural Development staff** that provide one-on-one assistance. We will help you review a project for eligibility before completing a full application package, and continue to assist you throughout the application and closing processes.

Contact our team of specialists today!

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