

Water & Waste Disposal Loan Guarantees

We help lenders provide affordable financing to improve access to clean, reliable water and waste disposal systems. Assistance is available to public bodies, nonprofit organizations, and Federally Recognized Tribes. Eligible uses include constructing or improving facilities for drinking water, sanitary sewers, solid waste disposal, and storm water disposal facilities. Guarantees may be up to 90 percent of the loan amount.

Rural Energy for America Program (REAP)

We partner with lenders to assist agricultural producers and rural small businesses to use energy effectively and lower costs. Funds may be used to purchase, install, and construct renewable energy systems or make energy efficiency improvements. Guarantees may be up to 85 percent of the total eligible project cost. Terms range between 7 and 30 years.

For More Information

Information on all USDA Rural Development programs is available online or from the office serving your area.



Rural Development



Opportunities for Lenders

www.rd.usda.gov
1 (800) 670-6553 (toll free)

USDA is an equal opportunity provider, employer, and lender.



Rural Development

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Expand your portfolio, reduce your risk.

Is your lending institution looking for ways to better serve your community? USDA Rural Development guaranteed lending programs may be able to help.



Single Family Home Loan Guarantees

This program offers lenders another mortgage product by expanding access to housing. It assists approved lenders in providing low- and moderate-income applicants with the opportunity to own a modest primary residence. We reduce the risk of extending 100 percent loans to homebuyers by providing a 90 percent loan note guarantee. Applicants may buy, build, or improve a home in an eligible rural area. Our automated loan closing system saves you time and money.

Business & Industry Loan Guarantees

This program provides financial backing for rural businesses. Applicants work with private-sector lenders. USDA Rural Development provides a guarantee for the loan. Assistance is available to virtually any legally organized entity. These loan guarantees make it possible for private lenders to extend more credit than they would typically be able to extend.

The maximum amount of loan guarantee varies, up to 80 percent for loans of up to \$5 million, up to 70 percent for loans between \$5 and \$10 million, and up to 60 percent for loans exceeding \$10 million.

The borrower's headquarters may be based within a larger city as long as the project is located in an eligible rural area.

Community Facilities Loan Guarantees

We provide loan guarantees to help build essential community facilities. Community Facilities financing can be used to build, expand, or improve facilities or services for healthcare, education, public safety, and public services. Applicants can include public bodies, nonprofit organizations, and Federally Recognized Tribes. The maximum guarantee available is 90 percent of the eligible loss, and 50 percent for recreational projects.

USDA offers a number of programs guaranteeing loans for housing, community facilities, business purposes, and utilities, for up to 90 percent of the loan amount in most cases. By removing most of the lender's risk, such guarantees often make it easier to lend to underserved communities and meet obligations under the Community Reinvestment Act.

Assistance under these programs is available to applicants in areas designated as "rural." Under law, the definition of "rural area" is different for each program.

Multi-Family Housing Loan Guarantees

Under this program, we work with approved lenders to provide financing to increase the supply of rural rental housing designed for low- and moderate-income residents. They may include state and local governmental entities, Federally Recognized Tribes, nonprofit organizations, and businesses. For-profit entities may receive a maximum guarantee of 90 percent and nonprofit entities may receive up to 97 percent. Terms may range from 25 to 40 years, with a fixed interest rate.

