



United States
Department of
Agriculture

Rural Development



Presented by Bette Brand
Administrator

Rural Business-Cooperative Service

USDA Rural Development

**Your Partner in Community & Infrastructure
Development**

A photograph of a modern, single-story building with large glass windows and doors. The building is identified as a "USDA Service Center" for the "U.S. Department of Agriculture". Two people are standing on the sidewalk in front of the building, engaged in conversation. The man is wearing a light-colored shirt and glasses, and the woman is wearing a light-colored top and dark pants. The scene is set during the day with some shadows cast on the ground.

We Can Help

- Business and Industry Loan Guarantee Program (B&I)

Business & Industry Loan Guarantee Program (B&I)



Who May Participate?

- Federal or State chartered banks
- Savings and loans
- Farm Credit Banks
- Credit unions
- Certain Non-Regulated Lenders

Who May Borrow?

- For-profit businesses
- Nonprofits
- Cooperatives
- Federally recognized Tribes
- Public bodies
- Individuals

B&I Loan Guarantees

Uses for Funds

- Development or expansion
- Purchase real estate or buildings
- Equipment, supplies, or inventory
- Refinancing
- Acquisitions



Eligible Areas

- Outside of cities
- Towns of less than 50,000
- Urbanized areas near cities may be ineligible



Loan Guarantee Maximums

- 80% for loans of \$5 million or less
- 70% for loans between \$5 and \$10 million
- 60% for loans exceeding \$10 million, up to \$25 million maximum
- Active Secondary Market





Applicable Fees

- Initial guarantee fee: 3% of the guaranteed amount
- Annual renewal fee: 0.5% of outstanding principal
- Reasonable, customary fees: Negotiated between borrower and lender



**Debt refinance
and equipment
purchase for a
Railroad
Operator**

Business & Industry Loan Guarantee Program



**Expansion &
Equipment Purchase
for a For-Profit
Hospital**

Turbine Purchase & Replacement for a Dam

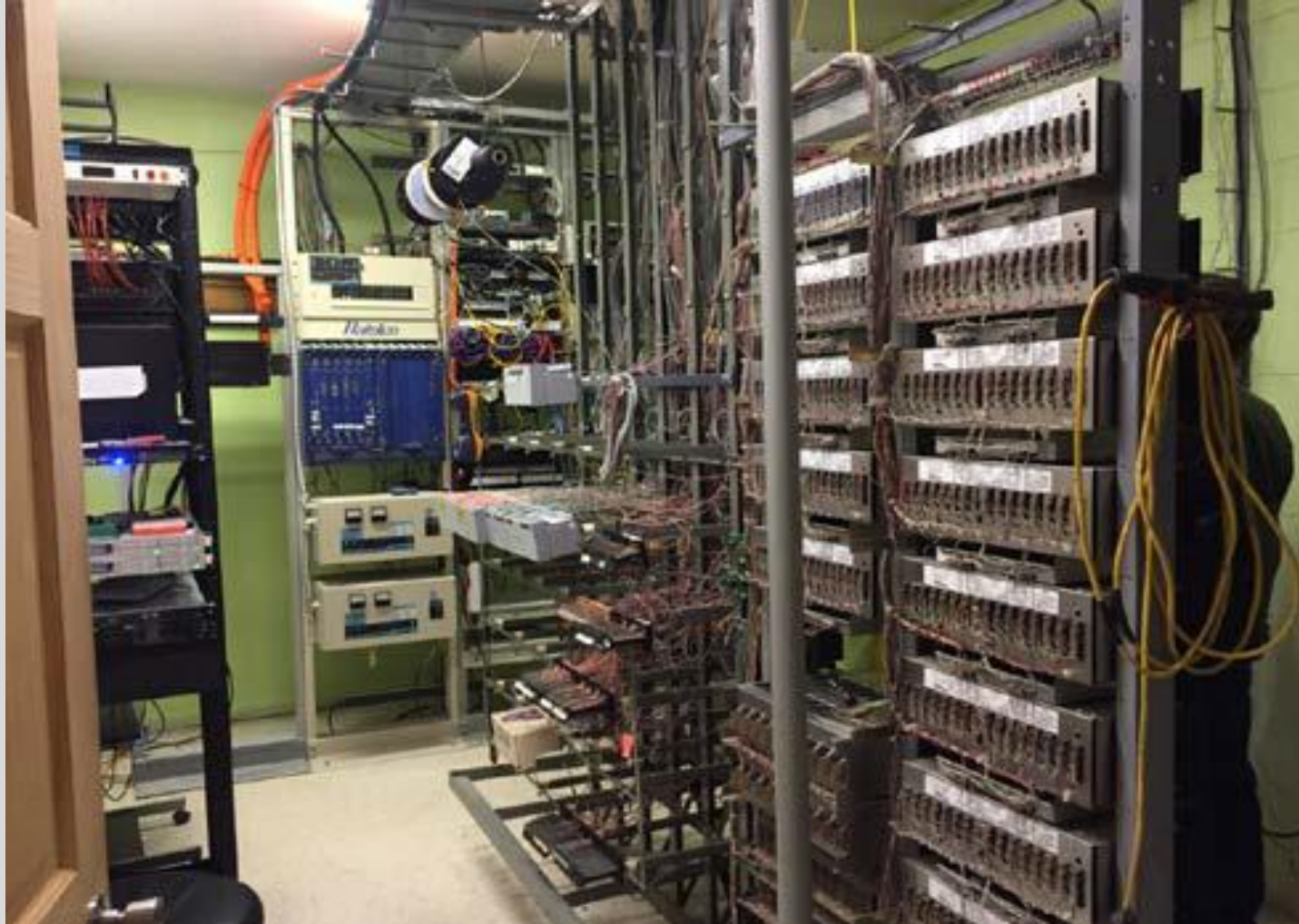


Business & Industry Loan Guarantee Program


Debt Refinance & Real Estate Purchase of a Railyard



Business & Industry Loan Guarantee Program



Equipment
Purchase for
Small Rural
Telcom to
Provide
Broadband

The background of the slide is a photograph of an industrial facility, possibly a refinery or chemical plant, with a blue color overlay. The image shows large cylindrical storage tanks, complex metal scaffolding, and various pipes and walkways. The sky is visible in the upper right corner, showing some clouds.

Lenders interested in participating in the USDA Rural Development business programs should contact our Business Programs Director in the state where the project is located.

Or go to: www.rd.usda.gov

Or call 1 (800) 670-6553 (toll free)

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