

PROGRAM: RD Community Programs Guaranteed Loan **Information Not Current**

AGENCY: USDA Rural Development (RD), Rural Utility Service

DESCRIPTION: USDA—RD guarantees loans made by lenders to finance the development of water and waste disposal systems, and other essential community facilities in rural areas.

ELIGIBLE USES:

- Water and waste disposal include: water treatment and distribution; sewage collection and treatment; solid waste collection, disposal and recycling; and storm drainage.
- Community facilities include: public safety buildings and equipment; health care; public service buildings (schools, community buildings and courthouses); public infrastructure; and industrial parks and airports.

PROGRAM/LOAN STRUCTURE:

- Maximum Program Benefits: Up to 80%; no limit on loan size.
- Equity: Based on the lender's requirements.
- Maturities: A maximum of 40 years, or useful life of the security.
- Rates: Fixed or variable, and negotiable.
- Fees: A guarantee fee of 2% of the guaranteed portion of the loan.

QUALIFICATION CRITERIA/COMMENTS:

- Guarantees for water and waste disposal systems are available for towns of up to 10,000 in population and community facilities for communities of up to 50,000 in population.
- Rural Development Homepage: <http://www.rurdev.usda.gov/rbs/index.html>