



United States Department of Agriculture
Rural Development

Guaranteed Programs Summary and Comparison

Criteria	Business & Industry Program	Section 9007 Renewable Energy Program	Community Facilities Program	Water & Waste Program
Eligible Borrower	Non profit entities; for profit business entities located in rural area. Visit website: http://eligibility.sc.egov.usda.gov/welcomeAction.do	Agricultural producer or small business located in rural area. Visit website: http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do	Public bodies and non profit entities located in rural areas under 20,000 population	Public bodies and non profit entities located in rural areas under 10,000 population
Eligible Loan Purpose	Typical business needs.	Purchase renewable energy system or make energy efficiency improvements. (non-residential)	Construct, expand or improve essential community facilities (i.e. health care, public safety, education or recreation facilities).	Construct, expand or improve rural drinking water, sanitary sewage, and storm wastewater facilities.
Eligible Project	*Real Estate *Equipment *Working Capital *Debt Refinancing	Commercially available energy projects. Post application costs only. Including any grant, agency assistance must be less than 50% of the project. Grant limited to 25% of the project.	All projects must be modest in size, cost and design.	All projects must be modest in size, cost and design.
Project has Technical Merit		Always need technical report that is reviewed by National Renewable Energy Lab (NREL).		
Adequate Repayment Ability	Projections. A feasibility study is required if past performance does not support the projections.	Projections. A feasibility study is required on all renewable energy costs.	Projections. A feasibility analysis is required on all projects. An independent report may be required.	Projections. A feasibility analysis is required on all projects. An independent report may be required. Must be based on satisfactory sources of revenue sufficient for facility operation, maintenance, reasonable reserve and debt payments.
Sufficient Collateral	Discounted collateral value at least equal to the loan amount.	Discounted collateral value at least equal to the loan amount.	Security package may include pledges of taxes or assessments; RE & equip; assignment of income.	Security package may include pledges of taxes or assessments; RE & equip; assignment of income.
Sufficient Equity	*New: 20% tangible balance sheet *Existing: 10% tangible balance sheet *Energy Projects: 25%-40% tangible balance sheet.	Equity based on project cost * < \$600,000 = 15% * > \$600,000 = 25% Government grant = equity		
Maximum Terms	Real estate - 30years Machinery & equipment -15yrs Working Capital – 7 years	Real estate - 30 years Machinery & equipment – 20 years Working Capital – 7 years	Useful life up to 40 years.	Useful life up to 40 years.
Interest Rate	Fixed or variable negotiated between lender and applicant.	Fixed or variable negotiated between lender & applicant.	Fixed or variable negotiated between lender & applicant.	Fixed or variable negotiated between lender & applicant.
Maximum Loan Amount	\$25 million	\$25 million. Not to exceed 75% of project cost.	None	None
Guarantee Percentage	* < \$ 5 million = 80% * < \$10 million = 70% * < 25 million = 60%	* < \$600,000 = 85% * < \$5 million = 80% * < \$10 million = 70%	Up to 90%	Up to 90%
Fees	* Guarantee Fee 2% * Annual Servicing Fee ¼%	* Guarantee Fee 1% * Annual Servicing Fee ¼%	* Guarantee Fee 1% * Annual Servicing Fee – N/A	* Guarantee Fee 1% * Annual Servicing Fee -N/A
Lender Benefits	* Lender driven application process using lender’s standard credit package. * Guarantee does not count against lending limits and loan to value ratios. * Secondary Market opportunities.			

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