



### PURPOSE

- To promote rural economic development and job creation projects

### APPLICANT ELIGIBILITY

- Rural Development Utilities Programs (Rural Utility Service) Electric and Telephone utility borrowers, including former borrowers under discount prepayment program
- Financially sound organization
- Current on all Federal debts

### USE OF LOAN FUNDS

- Business start-up or expansion
- Community facility and development projects
- Business incubator projects
- Medical and educational projects, including advanced telecommunications and computer networks for medical and/or educational services

### MAXIMUM AND MINIMUM LOAN AMOUNTS

- Maximum \$2,000,000
- Minimum \$10,000

### LOAN TERMS AND REPAYMENT

- Zero-interest loan provided to the Rural Development Utilities Programs Borrower on a pass-through basis to the ultimate recipient (project owner)
- Maximum 10-year repayment period
- Payments may be deferred up to two years
- Repayment by the ultimate recipient may not be more restrictive than the repayment schedule of the Rural Development Utilities Programs Borrower
- Minimum 20% supplemental financing required of ultimate recipient

### APPLICATION PROCESS

- Applications are submitted to the USDA Rural Development State Office for review and rating
- Applications are forwarded to the USDA Rural Development National Office for the national competitive selection process
- Applications are selected for funding on a quarterly basis.

## COMPETITIVE SELECTION FACTORS

- Nature of the project
- Job creation projections
- Supplemental funds
- Unemployment rates
- Per capita personal income
- Change in population
- Number of long-term jobs
- Location (rural)
- Support for program - cushion of credit payments
- Probability of success
- Ownership and management of the project
- Ultimate recipient's business plan

## FOR MORE INFORMATION / HOW TO APPLY

Contact Matt Moore in the Missouri USDA Rural Development State Office, Business Program section at 573-876-9321 or [matt.moore@mo.usda.gov](mailto:matt.moore@mo.usda.gov) to discuss project eligibility and the loan application process.

<http://www.rd.usda.gov/mo>