

# Rural Economic Development Loan Program Summary

**Program:** A Nationally competitive program to spur job creation in rural areas.

**Process:** Quarterly Applications  
 REC applies on behalf of project or “ultimate recipient”  
 ➤ REC guarantees the loan to USDA  
 Requires USDA RD Environmental Review

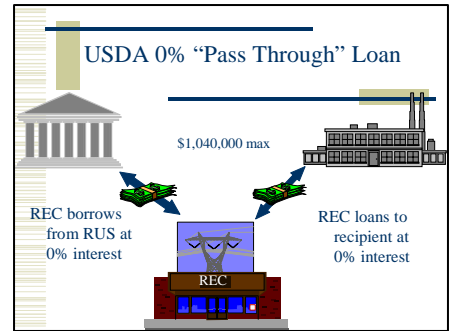
**Project Benefit:** 0% interest loan; 10 year; up to 2 year deferral  
 (2 yr deferral = 8 year amortization)

**Program Maximums:** \$1,040,000\* or 80% of project costs

**Expected Collateral:** Irrevocable letter of credit from project’s lender

**Administrative Fee:** An annual administrative fee of up to 1% may be charged by the electric cooperative

**Eligible Entities:** For-profit, non-profit entities, government



**Target Project:**

- Business Expansion with Job Creation
- Community population 2,500 or less
- 5-17% of project as defined

### Estimated Application Timeframe

Business Plan & Other Info Due at IADG	Application Due at USDA RD	Next Awards Announced **
August 15	September 15	December **
November 15	December 15	March **
February 15	March 15	June **
May 15	June 15	September **

\* Subject to Legislative Change  
 \*\* Approximate; not guaranteed