

More Support for Rural Businesses

In some areas, USDA Rural Development provides funds to local organizations, called “intermediaries,” who use funds to offer loans and grants for business startup or expansion. These re-lending options include:

- **Intermediary Relending Program** - offers low-interest loans for business and community development;
- **Rural Economic Development Loan and Grant Program** - offers affordable loans through local utilities for business development that help to create or save rural jobs; and
- **Rural Microentrepreneur Assistance Program** - offers microloans to businesses with 10 or fewer employees through intermediaries.

How To Get Started

- Contact your local USDA Rural Development office for application information.
- Funding cycles depend on the program you are interested in; they can be annual, quarterly, or continuous.
- Program resources like forms, guidance, certifications, checklists, and more are available online.

For More Information

Information on all USDA Rural Development programs is available online or from the office serving your area.



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Rural Development



Help for Rural Businesses



Rural Development

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From USDA Rural Development



Are you looking to start or expand a business in a rural area? USDA Rural Development may be able to help. We offer:

- Financing to start or expand businesses;
- Loans and grants to save and create jobs for rural residents;
- Financing for renewable energy systems and energy efficiency improvements; and
- Financing in partnership with community organizations to encourage new small business startups and capital investments.

Assistance under these programs is available to applicants in areas designated as “rural.” Under law, the definition of “rural area” is different for each program.

Business and Industry (B&I) Loan Guarantees

This program provides financial backing for rural businesses. Commercial loan guarantees are available for up to 80 percent of the loan amount. Applicants work with private-sector lenders. USDA Rural Development provides a guarantee for the loan.

Who may apply?

- For-profit businesses;
- Nonprofits and cooperatives;
- Federally Recognized Tribes;
- Public bodies;
- Individuals.

How can we use the funds?

- Convert, enlarge, repair, modernize, or develop business;
- Purchase and develop land, easements, rights-of-way, buildings, or facilities;
- Purchase equipment, machinery, supplies, or inventory;
- Refinance when new jobs will be created and other conditions are met;
- Acquire businesses and industries when the loan will keep the business from closing and/or save or create jobs.

The borrower’s headquarters may be based within a larger city as long as the project is located in an eligible rural area.

Rural Energy for America Program (REAP)

REAP provides assistance to agricultural producers and rural small businesses for renewable energy systems and energy efficiency improvements through Federal loan guarantees and grants. Funds may be used to purchase, install and construct:

Renewable energy systems, including:

- Wind;
- Solar;
- Biomass, including anaerobic digesters;
- Geothermal; and more.

Energy efficiency projects, including:

- Heating, ventilation, and air conditioning systems;
- Insulation;
- Lighting;
- Cooling or refrigeration units;
- Controls and equipment;
- Doors, windows, and other building improvements; and more.

Grants can finance up to 25 percent of the project cost, and loans or loan and grant combinations can finance up to 75 percent of the project cost.

Rural Business Development Grants

These are competitive grants to encourage development or expansion of rural businesses. The grants may be used for targeted technical assistance, training, and other activities.