



Committed to the future of rural communities.

Community Facility (CF) Loan Guarantees

Eligible Purposes

Rural Development can guarantee loans made by private lenders to improve, develop, and construct essential community facilities in rural areas. Essential facilities include hospitals, health clinics, nursing homes, fire and police departments, community centers, roads and streets, libraries, schools, criminal justice centers, recreational facilities, etc. Funds may not be used for commercial enterprises.

Ineligible Purposes

On-site utility systems or buildings in connection with industrial parks, community antenna television services, electric generation or transmission, telephone systems, or new combined sanitary and storm water sewer facilities.

Eligible Applicants

Non-profit corporations and public bodies such as municipalities, counties, special purpose districts and authorities.

Eligible Lenders

Must be a local regulated lender such as any federal or state chartered bank, savings and loan association, building and loan association, or some mortgage and insurance companies.

Eligible Areas

Rural countryside and rural communities of up to 20,000 population.

Maximum Loan, Rates, & Terms

There is no maximum dollar amount. The amount loaned is usually determined by the amount needed to meet the applicant's needs and its ability to handle the repayment schedule. Interest rates (fixed or variable) and terms (maximum 40 years) are negotiable between the lender and borrower.

Other Credit Test

The applicant must certify in writing and Rural Development shall determine that other credit is not available at reasonable rates and terms without the guarantee. Also, the lender must certify that it would not make the loan without the guarantee.

Guarantee

The maximum percent of guarantee is ninety percent (90%), although normally the guarantee will not exceed 80 percent (80%) unless extraordinary circumstances exist. A one-time guarantee fee, equal to one percent (1%) of the guaranteed portion of the loan, is due at the time the guarantee is issued.

Inquiries

Information and applications may be obtained from one of the four USDA Rural Development Area Offices:

- Findlay (419) 422-0242
- Hillsboro (937) 393-1921
- Marietta (740) 373-7113
- Massillon (330) 830-7700

or contact the State Office at:

Federal Building, Room 507
200 North High Street
Columbus, Ohio 43215
Phone: (614) 255-2500, FAX: (614) 255-2562

Examples of Community Facilities

“USDA is an equal opportunity provider, employer, and lender”. To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue S.W., Washington D.C. 20250-9410,

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Community Health Care (In conjunction with the Department of Health and Human Services)

Animal Shelter
Dental Clinic
Nursing Home
Outpatient Care
Physicians Clinics

Cultural and Educational

All Purpose Building-College Campus
College
Educational Camp for Physical & Mentally Handicapped
Library
Museum
Open Air Theater
Public School
School Maintenance & Equipment Service Center
Vocational School

Energy Transmission & Distribution

Electric Equipment Maintenance Building
Electrical Service
Low Head-Hydroelectric Plants
Natural Gas Distribution

Fire Rescue & Public Safety

Civil Defense Building
Communications Center
Fire Department
Fire Trucks
Jail
Mobile Communications Center
Multiservice-Fire/Rescue
Police Station
Rescue & Ambulance Service
Rescue & Ambulance Service Equipment Building

Health Care

Boarding Home for Elderly (Ambulatory Care)
Dental Clinic
Hospital (General & Surgical)
Medical Rehabilitation Center
Nursing Home
Outpatient Care
Physicians Clinics
Vocational Rehabilitation Center
Assisted Living

Other Facilities

Agricultural Fairgrounds
Dike
Oceanfront Protection
Social Services Building
Sprinkler System
Solid Waste Disposal Facilities & Equipment

Public Building & Improvements

Adult Day Care Center
Child Day Care Center
City Hall
Civic Center
Community Health Department Office Building
Community Center
County Courthouse
Courthouse Annex
Data Processing Center
Food Preparation Center
Heating Plant for Public Buildings
Home for Delinquents
Public Maintenance Building

Transportation

Airport Hanger
Bridge
City Airport
Municipal & County Garage
Off-Street Parking
School Buses
Sidewalks
Street Improvement
Street Maintenance Equipment