

# The USDA Business & Industry OneRD Program

Empowering Rural America  
One Business At A Time



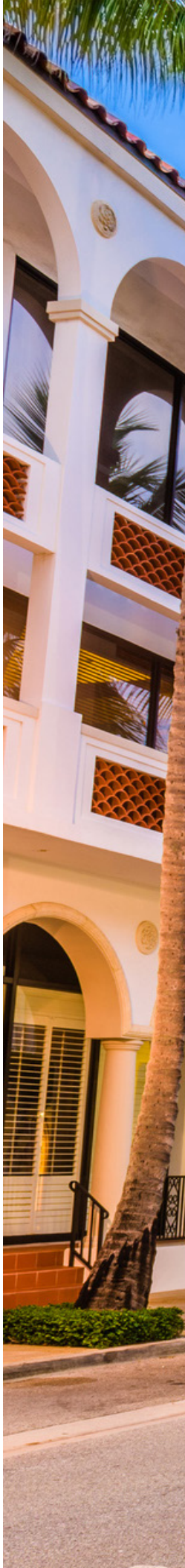
FUNDING RURAL AMERICA'S FUTURE



---

Qualifying Projects	03
Eligibility	04
Definition of a Rural Area	04
General Terms	04
The Application Process Through XRC	05
Funding Types	06
Product Pairing with Other Cost-Effective Funding Solutions	06
The Impact of a Business & Industry Loan	07
B&I Projects in Action	07
Challenges and Considerations	08
Future Outlook	08

---










The USDA Business & Industry (B&I) OneRD Program equips rural businesses with the capital, flexibility, and professional support they need to expand and prosper. By providing loan guarantees to approved lenders, this program lowers financing costs, spurs local job creation, and amplifies community vitality, ensuring sustainable economic opportunities for historically underserved areas.

Rural areas face unique challenges in accessing capital and fostering economic development. As a result, the B&I OneRD program serves as a strategic tool for businesses located in rural areas to bridge this funding gap and promote sustainable growth.

## Qualifying Projects

The B&I Guaranteed Loan Program supports a broad range of projects that foster rural economic development.

Common uses include:

-  Business modernization or repair
-  Purchasing and developing land, buildings, or commercial/industrial infrastructure
-  Acquiring machinery, equipment, supplies, or inventory
-  Refinancing debt when it improves cash flow, retains jobs, or adds significant benefit
-  Business acquisition to maintain operations and protect local employment

Certain uses, such as lines of credit, owner-occupied housing, or gambling facilities, are not permitted. The goal is to back initiatives that add value through creating rural employment opportunities and stabilizing key local industries.

## Eligibility

A variety of borrower types can apply, including for-profit businesses, nonprofits, cooperatives, federally recognized tribes, public bodies, and individuals operating or proposing ventures in an eligible area. Key requirements include:

- **Citizenship:** Individual borrowers must be U.S. citizens or legally admitted permanent residents.
- **Local Impact:** Loan proceeds must stay in the U.S., with funded projects creating or saving jobs for rural communities.
- **Collateral and Capacity:** Adequate collateral must support the loan, and the borrower must demonstrate financial and managerial capacity.

By addressing these criteria, applicants position themselves for a streamlined path to approval and long-term success.

## Definition of a Rural Area



Under USDA guidelines, rural areas are those with a population of 50,000 or fewer residents and not contiguous with larger urbanized regions. Licensed lenders, however, can be located anywhere in the U.S. Additionally, certain Local and Regional Food System Initiative projects may qualify in both rural and urban areas, expanding opportunities for enterprises that enhance the local food supply chain. To check eligibility, you can [click here](#).

## General Terms

<b>Loan Range:</b>	Up to \$25MM
<b>Loan Term:</b>	Up to 40 years, depending on the financed asset's useful life and the use of funds
<b>Interest Rates:</b>	Determined by lender; can be fixed or variable (adjusted no more than quarterly)
<b>Guarantee Percentage:</b>	Depending on loan size, the USDA guarantees a portion to reduce risk and unlock better borrowing terms

These terms help businesses secure patient capital to fund large-scale expansions, upgrades, and other long-range investments.

# The Application Process Through XRC

The Business & Industry OneRD Program operates through a structured process designed to support rural communities effectively. Here's an overview of the process.

## 1 Preliminary Eligibility Check

Prospective borrowers verify project location and check basic program requirements. XRC conducts a preliminary review to ensure fit with the B&I Program.

## 2 Documentation

Borrowers compile business details: financial statements, collateral, and project plans to demonstrate feasibility and alignment with rural development goals. XRC assembles and underwrites these materials.

## 3 Application Submission

XRC submits a complete application to USDA Rural Development. Applications are accepted on a rolling basis.

## 4 Agency Review & Approval

The USDA evaluates creditworthiness, project feasibility, and potential community impact. Upon a positive assessment, USDA issues a conditional commitment.

## 5 Project Implementation

With final approval, funds go toward construction, equipment purchases, or other eligible activities. XRC stays involved throughout the process, ensuring compliance and offering ongoing support.



## Funding Types

B&I financing is available in several flexible formats:

- **Term Loans:** Ideal for real estate, construction, or equipment purchases
- **Construction-to-Permanent:** Consolidates short-term construction funding with long-term permanent financing in one closing
- **Refinancing:** Repays existing debt when doing so improves operational cash flow or safeguards jobs

By tailoring these structures to match each borrower's strategic plan, it maximizes the benefit of USDA's B&I guarantee.

## Product Pairing with Other Cost- Effective Funding Solutions

The USDA Business & Industry (B&I) program can be effectively paired with other innovative financing solutions to enhance support for rural development projects. One such combination is the pairing of B&I loans with Commercial Property Assessed Clean Energy (C-PACE) financing. This innovative financing structure not only supports rural economic development but also promotes energy efficiency and sustainability in commercial real estate projects. By combining these two financing tools, borrowers can achieve higher leverage, longer terms, and more flexible underwriting for complex transactions, including start-ups and expansions with projected income.



# The Impact of a Business & Industry Loan



**JOB CREATION & ECONOMIC GROWTH:** Supports employment and strengthens rural economies

**INDUSTRY DIVERSIFICATION:** Funds a wide range of industries, boosting resilience to market shifts

**INFRASTRUCTURE DEVELOPMENT:** Enhances local infrastructure critical for long-term growth

**ESSENTIAL SERVICES:** Helps businesses provide key services, improving rural quality of life

**INNOVATION & TECHNOLOGY:** Backs projects that bring modern technologies to rural areas, helping close the digital divide

## B&I Projects in Action




PROJECT	LOAN AMOUNT	LOAN TYPE	INDUSTRY	LOCATION
Inn at Bellefield	\$25MM B&I + \$11MM C-PACE [\$36MM Total]	Refinance, New Construction & Working Capital	Hotel	Hyde Park, New York
Waterfall Resort	\$13MM B&I	Refinance & Working Capital	Resort	Ketchikan, Alaska
Silverton Mountain Ski Resort	\$8MM B&I	Refinance	Hotel	Silverton, Colorado
California Custom Processing	\$29.5 B&I + \$4MM C-PACE (\$33.5 Total)	Refinance Existing Debt	Manufacturing	Madera, California

## Challenges and Considerations

Despite offering significant opportunities, prospective borrowers should be aware of several important considerations when pursuing USDA Business & Industry (B&I) loans. First, there are prohibited uses for these funds. Loans cannot be used to support lines of credit, cash-out refinancing, gambling or golf facilities, speculative real estate, or owner-occupied housing. Additionally, the application process requires comprehensive documentation. Applicants must submit detailed financial statements, business plans, collateral information, and evidence of job impact to meet USDA standards. Lastly, these loans represent a long-term commitment. With terms extending up to 40 years, borrowers must be prepared for ongoing compliance and responsible financial stewardship throughout the life of the loan.

## Future Outlook

Rural businesses continue to evolve, increasingly leveraging advanced technologies, environmental sustainability, and local/regional supply chains. The USDA B&I OneRD Program remains integral to this evolution, as it provides:

-  **Flexible Capital** enables innovation and modernization
-  **Risk Migration** reduces lender uncertainty, broadening credit access
-  **Community Resilience** safeguards essential services and local jobs, ensuring region-wide economic stability

The USDA Business & Industry OneRD Initiative, represents a powerful tool for rural economic development. By providing access to capital on favorable terms, this program enables rural businesses to thrive, create jobs, and enhance the quality of life in their communities. As rural America continues to evolve, the B&I OneRD program will play a crucial role in shaping a prosperous and sustainable future. The program's flexibility, combined with the expertise of lenders like XRC, ensures that rural businesses have the support they need to grow and contribute to their local economies. As we look to the future, the USDA B&I OneRD program stands as a beacon of opportunity for rural America, promising continued growth, innovation, and prosperity.

For more information on how X-Caliber Rural Capital can help you leverage the USDA B&I OneRD program for your rural business or community project, contact us at [info@xrcusda.com](mailto:info@xrcusda.com) or 212.220.7040.



[xrcusda.com](http://xrcusda.com)