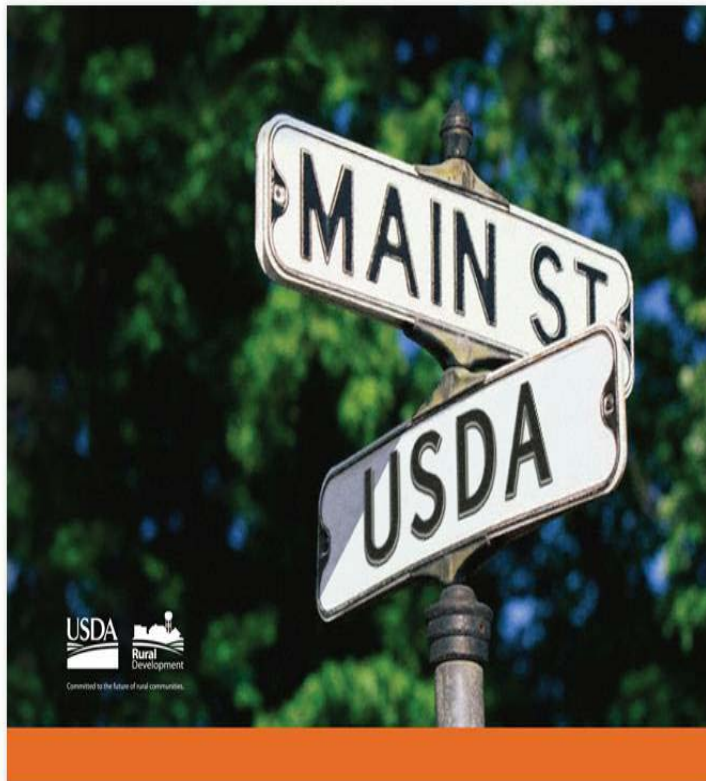


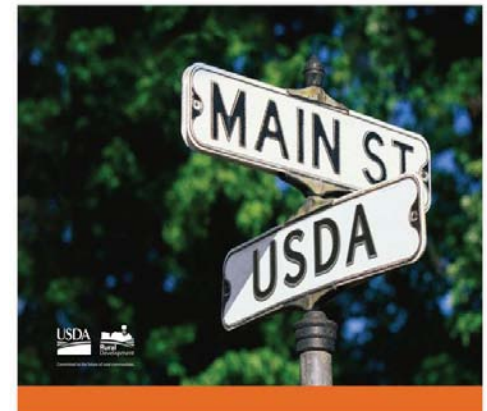
USDA Rural Development



**COMMITTED
TO THE
FUTURE OF
RURAL
COMMUNITIES**

USDA Rural Development's Mission

- Increase economic opportunity
- Create and maintain jobs
- Enhance quality of life in our rural communities



Building Your Community From the Ground Up

- **Business** –growth and establishment of local businesses and cooperatives
- **Community Facilities** – programs and technical assistance for schools, health clinics and emergency response facilities
- **Utilities** – assisting rural communities to improve water, energy, telecommunications and broadband services
- **Housing** –homeownership and development of affordable rental housing

Impact of Nebraska Rural Development

\$381 Million Delivered in Fiscal Year 2010:

- Housing Programs – \$113.2 Million
- Community Programs – \$63.9 Million
- Business Programs – \$80.5 Million
- Broadband Programs – \$11.3 Million
- Telecommunications Programs – \$112.4 Million

American Recovery and Reinvestment Act – \$191 Million delivered in Fiscal Years 2009 and 2010



Rural Development

Area Offices FY 2010

Scottsbluff Area Office

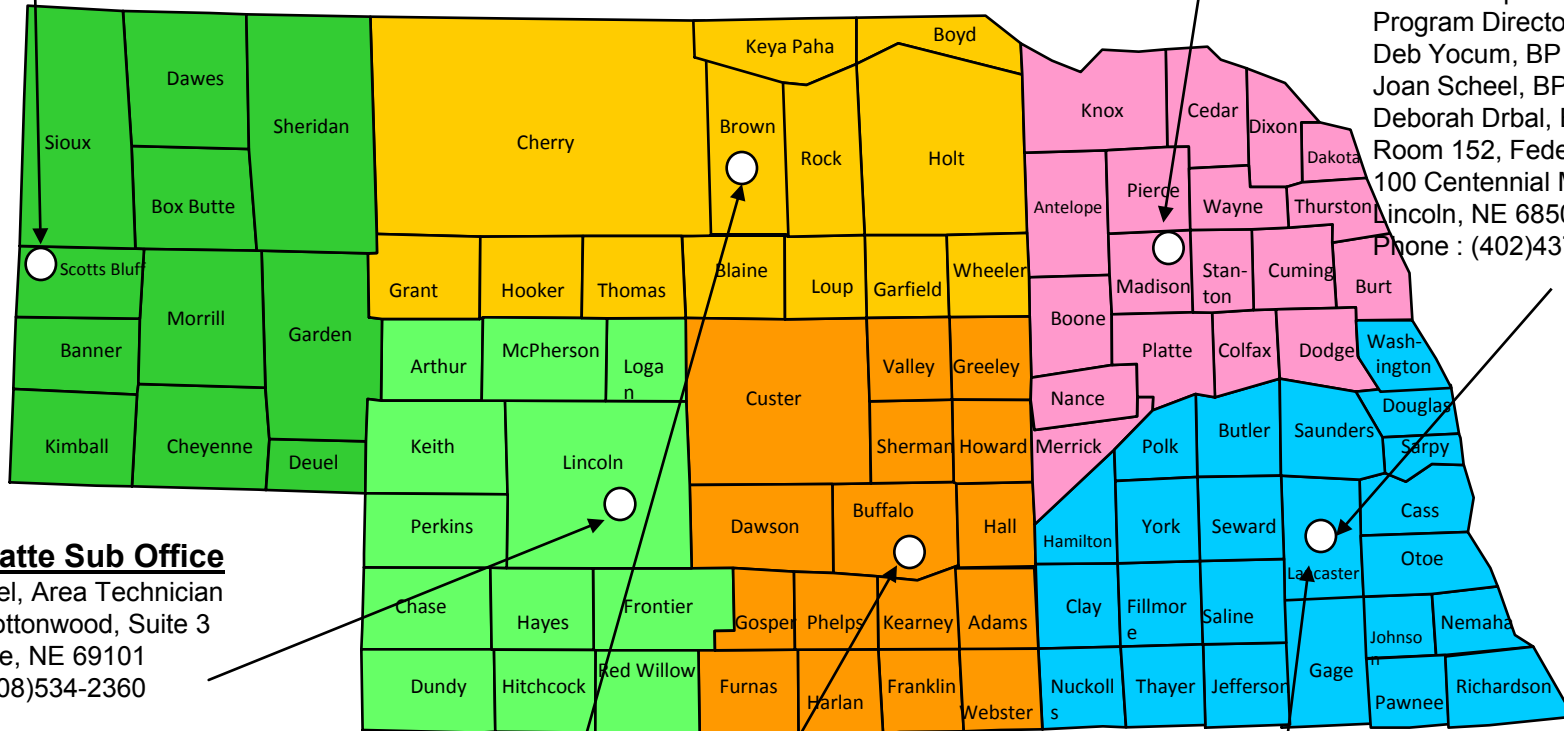
Brenda Darnell, Area Director
 Marla Marx, Area Specialist
 818 Ferdinand Plaza, St. B
 Scottsbluff, NE 69361-4401
 Phone : (308)632-2195

Norfolk Area Office

Dale Wemhoff, Area Director
 Korey Young, Area Specialist
 1909 Vicki Lane, Suite 103
 Norfolk, NE 68701
 Phone : (402)371-5350

State Office – Lincoln

Robin Templeton, Business
 Program Director
 Deb Yocum, BP Energy Coord.
 Joan Scheel, BP Specialist
 Deborah Drbal, B&C Specialist
 Room 152, Federal Building
 Lincoln, NE 68508
 Phone : (402)437-5559



North Platte Sub Office

Lory Cappel, Area Technician
 1202 S. Cottonwood, Suite 3
 North Platte, NE 69101
 Phone : (308)534-2360

Ainsworth Area Sub Office

Mary Gambill, Area Specialist
 731 E. 4th
 Ainsworth, NE 69210
 Phone : (402) 387-2242

Kearney Area Office

Paul Bartlett, Area Director
 Kelley Messenger, Area Specialist
 4009 6th Ave, Suite 1
 Kearney, NE 68845-2386
 Phone : (308)237-3118

Lincoln Area Office

Roger Meeks, Area Director
 Jenny Nelson, Area Specialist
 8000 S 15th Street, St. E
 Lincoln, NE 68512-9436
 Phone : (402)423-9683

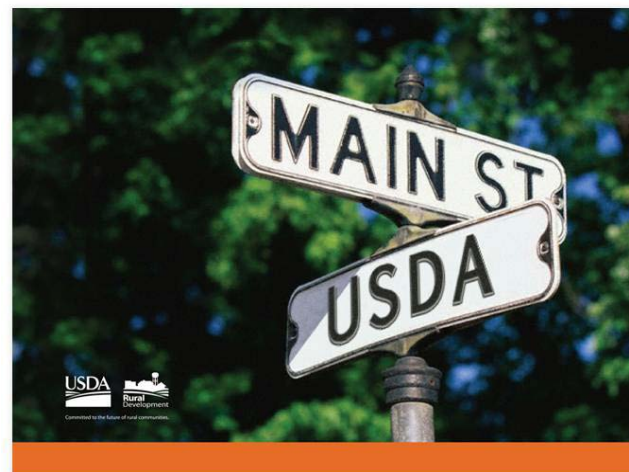


Benefits of Rural Development Guarantees

- Guarantee authority up to \$25 million
- Guarantee percentages up to 90%
- Affordable guarantee fee of 1-3.5%
- Some programs have minimal annual renewal/servicing fees
- Customary origination and servicing fees allowed
- Premium returns from secondary market

USDA Rural Development

The Guaranteed Programs



The Programs – Business & Industry (B&I)

% of Loan Guaranteed	Up to 80%
Loan Amounts	Up to \$25 million
Loan Terms	Real Estate – 30; Machinery & Equipment – 15; Term Working Capital – 7
Fees	One-time guarantee fee of 2% (1% in special cases) Annual renewal fee of 0.25% on outstanding balance
Loan Uses	New construction, equipment, expansion, working capital and debt restructuring
Borrower Types	New or existing businesses. Business does not have to be headquartered in the rural community, just conducting business there.
Community size	Population up to 50,000

Business & Industry Success Story

Preferred Sands of Genoa



- Sand (Frac) manufacturing
- \$22 million guarantee allowed bank to refinance the deal with a 60% guarantee (ARRA funds)
- Retention of 50 employees; plans for 50 more

The Programs – Energy

% of Loan Guaranteed	Up to 85% Guaranteed portion up to 75% of total eligible project costs
Loan Amounts	Minimum: \$5,000. Maximum: \$25 million
Grant Amounts	Efficiency projects \$1,500 to \$250,000; up to 25% Renewable projects \$2,500 to \$500,000; up to 25%
Loan Terms	Real Estate – 30; Machinery & Equipment – 20; Term Working Capital – 7
Fees	One-time guarantee fee of 1%. Annual renewal fee of 0.25% on outstanding balance
Loan Uses	Purchase and installation of renewable energy systems or improvements in energy efficiency
Borrower Types	Agricultural producers and rural small businesses
Community size	Population up to 50,000

Energy Success Story

Gary's Super Foods

- Energy efficiency improvements
- Installed a heat reclaim system to capture the heat from the store's refrigeration units and redistributes the heat through duct work to heat the building.

“The new store is 18,000 square feet and the utility bills are one-half of the costs of our store in Hershey which is 7,000 square feet. With savings like these you can't afford not to make the improvements.”

– Gary Suhr, Gary's Super Foods



EQIP

Environmental Quality Incentives Program Pumping Plant Irrigation Modification (533)

Includes the testing and modification of existing active wells or replacement of existing, active wells when done in conjunction with an irrigation conversion practice to ensure that energy and water savings are realized when pivot conversions are made. This includes the testing of the existing well, repairs to the innercolumn of the well and rebowling.

2011 Practice Payment rate is \$6336.75



Wind Turbines

- Two 20-kilowatt wind turbines were erected near Hay Springs
- Turbines are used to offset the cost of electricity for center pivot irrigation



The Programs – Community Facilities (CF)

% of Loan Guaranteed	Up to 90%
Loan Amounts	Based on project; no maximum; the amount is based on project feasibility, reasonable project costs & cash flow
Loan Terms	Limited to useful life of security; maximum 40 years
Fees	1% of guarantee; no renewal fee
Loan Uses	Land acquisition, construction, expansion or improvement, equipment, fixtures, legal and other professional fees
Borrower Types	Public bodies, not-for-profit organizations and Indian tribes
Community size	Population up to 20,000

Community Facility Success

Chadron Community Hospital

- Chadron Community Hospital outgrew existing facility
- Community Facilities guaranteed loan and direct loan towards project totaling nearly \$21 million
- Built 94,000 square foot, 25 bed replacement Critical Access Hospital
- Private rooms
- Expanded outpatient area
- Specialty clinics
- New physicians clinic
- Employs 235



The Programs – Home Ownership

% of Loan Guaranteed	90% Guarantee
Loan Amounts	There is no maximum mortgage or loan limits 100% financing, No PMI
Loan Terms	30 years, fixed rate
Fees	One-time guarantee fee of 3.5%
Loan Uses	Construct new (stick built, modular or manufactured) or the purchase an existing single family home, including modular homes. Funds for repairs can be included with the purchase of an existing home.
Borrower Types	Individuals and households
Community size	Populations up to 20,000 and Norfolk & Columbus

Home Ownership Success Story

Pappas Addition Partnership, Gering

The Need:

- City of Gering had desire and need for housing
- Magnolia Homes had fewer modular housing orders
- Area families looking to buy a home

The Partners:

- Twin Cities Development purchased 13 lots
- TCD sold 6 lots to Magnolia Homes, who leveraged a loan from the City of Gering to construct the homes
- PV Mortgage and Valley Bank obtained RD guarantees

The Results:

- Four new homeowners
- Gering gained additional housing, increased their tax base, and helped local business



The Programs – Rental Housing

% of Loan Guaranteed	Up to 90%.
Loan Amounts	No maximum or minimum loan amounts
Loan Terms	Minimum 25 years; maximum 40 years; max 40 year amort. 90% LTV for profit and 97% for non-profits
Loan Uses	New construction or purchase of existing building with rehab needs; rehab for existing RD properties
Borrower Types	Individuals, partnerships, non-profit and for-profit corporations, and limited liability companies
Community size	Populations up to 20,000 and Norfolk and Columbus

Rural Rental Housing Success

Kelley Creek Apartments, McCook

- 24 units
- Assist low and moderate income families
- Total project costs, \$1.8MM
 - Guarantee of tax exempt bonds \$928M
 - DED - Trust \$459M
 - Tax Credits \$260M
 - Owner \$140M



Meeting Your Needs!

- Quick approval turnaround
- High loan limits
- Local customer service

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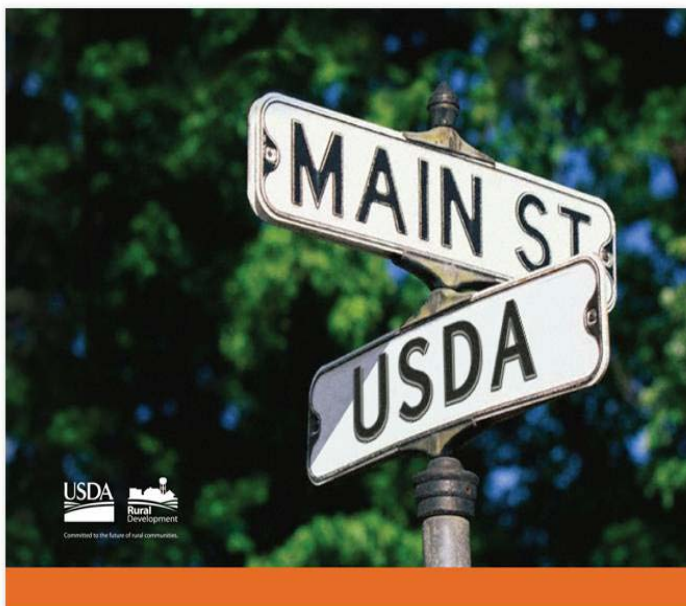


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Rural Development

Thank You!

<http://www.rurdev.usda.gov/ne>



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Complaints of discrimination should be sent to USDA, Director, OCR, Washington, DC 20250-9410

