



Rural Business Opportunity Grant

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USDA Rural Development (www.ruraldev.usda.gov)

Loan Amount	\$50,000
Use of Funds	Grants made to public bodies, nonprofit corporations, Indian tribes on Federal or State reservations and other Federally recognized tribal groups, and cooperatives with members that are primarily rural residents and that conduct activities for the mutual benefit of members.
Rate of Interest	None
% of Financing Available	Up to 100% of project but generally only a portion.
Down Payment (Equity)	None
Typical Structure	A local government or nonprofit receives the grant and uses it for the benefit of local business by providing technical assistance for business development and economic development planning
Processing Time	60-90 days or longer
Collateral	Yes, market value sufficient to cover the loan after lender discount
Personal Guarantees	Yes
Eligible Projects	Identify and analyze business opportunities that will use local rural materials or human resources. This includes opportunities in export markets, as well as feasibility and business plan studies. Identify, train, and provide technical assistance to existing or prospective rural entrepreneurs and managers. Establish business support centers and otherwise assist in the creation of new rural businesses. Conduct local community or multi-county economic development planning. Establish centers for training, technology and trade that will provide training to rural businesses in the utilization of interactive communications technologies to develop international trade opportunities and markets. Conduct leadership development training of existing or prospective rural entrepreneurs and managers. Pay reasonable fees and charges for professional services necessary to conduct the technical assistance, training or planning functions.
Ineligible Projects	Duplicate current services or replace or substitute support previously provided
Job Creation Criteria	No specific requirement.
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