Community Facilities Direct Loan Program

Immediate Relief for Rural Borrowers Affected by the COVID-19 Pandemic

USDA Rural Development (RD) is providing more flexible servicing options to help Community Facilities Direct Loan Program borrowers experiencing temporary cash flow issues due to the Coronavirus (COVID-19) pandemic.

Request to Defer Principal and Interest Payments

- Borrowers impacted by COVID-19 who had a current repayment status as of March 1, 2020, may request to defer principal and interest payments for up to one year.
- The Agency will determine payment deferrals on a case-by-case basis.

What are the terms?

- During the deferral period, interest will continue to accrue on the account.
- Interest will not be waived once the deferral period expires.

Are there additional requirements?

To defer principal or interest payments, the borrower must:

- Demonstrate an experienced hardship such as a loss of income, reduced work hours, or illness that impacts the ability to make payments to RD;
- If available, provide a current budget and financial statements of the most recent actual year;
- Provide a written statement describing how the pandemic impacted the operation of the facility and hindered cash flow in circumstances beyond their control;
- Provide a proposed operations plan to address scheduled loan repayment at the end of the agreement. The proposed plan can include re-amortization of the remaining payments within the original loan term after the deferral period expires;
- Be current on their account as of March 1, 2020; and
- Be in compliance with loan agreements and Agency regulations.

How do we get started?

Contact your local RD office to discuss your direct loan.

NOTE: For additional information, please contact your local office for assistance. You will find additional resources, and program information at rd.usda.gov. USDA is an equal opportunity provider, employer, and lender.

Last Updated April 2020