Form RD 5001- 3
(Rev. 4-2024)

**UNITED STATES DEPARTMENT OF AGRICULTURE**

RURAL DEVELOPMENT

# CONDITIONAL COMMITMENT

FORM APPROVED
OMB NO. 0572-0155
Expires 06/30/2027

| Lender Name: | USDA's Borrower Unique Entity Identifier: |
|---|---|
| Lender's Address: | Borrower: |
| Borrower's Tax ID: | Principal Amount of Loan: |

Type of Loan:
(select from dropdown) _____

Interest Rate Information Fixed:_____ Variable:_____Both:_____

If both, projected effective rate: _____

FIXED: Guaranteed Rate: _____
Unguaranteed Rate: _____

Variable: Source of Base Rate Publication : _____

Guaranteed Rate: _____ Current Base Rate: _____ +Incremental Difference:_____
Rate Change Period:_____ Rate Cap: _____ Rate Floor: _____

Unguaranteed Rate: _____ Current Base Rate: _____ +Incremental Difference:_____
Rate Change Period:_____ Rate Cap: _____ Rate Floor: _____

The United States of America acting through the United States Department of Agriculture (USDA) hereby agrees that, in accordance with applicable provisions of 7 CFR 5001, it will execute Form RD 5001-4, "Loan Note Guarantee," subject to the conditions and requirements specified in the regulations and herein. The Lender shall not represent this Conditional Commitment as a **guarantee.**

The Guarantee fees payable by the Lender to USDA will be the amount as specified in 7 CFR 5001 and the applicable Federal Register register notice as determined by the date of this Conditional Commitment.

If the loan note guarantee is issued prior to completion of the project's construction an additional guarantee fee will be added.

A Loan Note Guarantee will not be issued until the Lender certifies that there has been no material adverse change in the Borrower's financial condition, nor any other material adverse change in the Borrower's condition, for any reason, during the period of time from USDA's issuance of this Conditional Commitment for Guarantee to issuance of the Loan Note Guarantee regardless of the cause or causes of the change and whether the cause or causes of the change were within the Lender's or Borrower's control.

This Conditional Commitment becomes null and void unless the conditions are accepted by the Lender and Borrower within 60 days from the date of issuance by USDA, at which time the USDA reserves the right to discontinue further processing of the application and terminate its commitment. If USDA decides to terminate this commitment, USDA will provide the lender a written notice of at least 14 days prior to the termination.

This Conditional Commitment is effective until _____. All conditions for the issuance of a Loan Note Guarantee must be met during this period. The Lender must submit a written request to extend the Conditional Commitment thirty (30) days prior to its expiration and obtain Agency written approval in accordance with 7 CFR 5001.451(e).

Except as set out below, the purposes for which the loan funds will be used and the amounts to be used for such purposes are set out in the Application for Loan Guarantee. Once this instrument is executed and returned to USDA, no change of conditions or approved loan purpose will be considered, unless requested in writing by the Lender and approved, in writing, by the Agency.

**Additional Conditions and Requirements are in Attachment A of this form.**

UNITED STATES OF AMERICA

Date: _____ By: _____

Title: _____

*A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 0572-0155 Public reporting for this collection of information is estimated to be approximately 3.83 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information.*
*All responses to this collection of information are voluntary, however in order to obtain or retain a benefit the information in this form is required. Rural Development has no plans to publish information collected under the provisions of this program. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Rural Development Innovation Center, Regulations Management Division at ICRMTRequests@usda.gov.*

# ACCEPTANCE OF CONDITIONS

To: USDA

Address:

The conditions of this Conditional Commitment for Guarantee including attachments are acceptable and the undersigned intends to proceed with the loan transaction.

_____

*(Name of Lender)*

Date: _____ By: _____

*(Signature for Lender)*

Date: _____ _____

*(Signature for Borrower)*

ATTACHMENT A
ADDITIONAL CONDITIONS AND REQUIREMENTS
*(Attach any additional conditions and/or requirements required for this Conditional Commitment)*