

### Fund Availability

RLF loan applications are accepted at the Osceola Electric Cooperative, Inc. office when the RLF has an available balance of at least \$20,000.

## *Osceola Electric Cooperative, Inc.*

### More Information

For more information, loan applications, or to check the availability of funds, contact:

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## *Community & Economic Development Revolving Loan Fund Program Summary*

This institution is an Equal Opportunity Provider.

Osceola Electric Cooperative, Inc. created the Community & Economic Development Revolving Loan Fund (RLF) to improve the quality of life in rural areas by contributing to long term improvement in the local economy.

The RLF is a local funding source with a goal of providing low interest loans to assist with local economic and community development projects. Our priorities include job creation and retention, diversification of the local economy, improving the skills of the rural workforce, and upgrading the public infrastructure to improve the health, safety, and/or medical care of rural residents. This fund is administered by the Osceola Electric Cooperative, Inc. Board of Directors.

Following is a summary of the RLF loan terms and program eligibility requirements:

Eligible Applicants include organizations involved in community or economic development projects including

- New or Expanding Businesses
- Local Governments
- Non-profit Community Development Organizations

Eligible Uses of Funds include

- Land Purchase
- Buildings
- Fixed Assets
- Machinery & Equipment
- Infrastructure
- Residential Housing Projects (limits apply)

Ineligible Uses of Funds

- Pre-development Costs
- Refinances

Loan Terms are set by the Osceola Electric Cooperative, Inc. Board of Directors based on the financial need of the project. The following is to be used as a guide for application requests:

Loan Amounts

Minimum Loan	\$ 5,000
Maximum Loan	\$150,000

Interest Rates will vary from 0% to Prime Rate depending on the financial need of the project and its benefits to the rural area. Generally loans will have a 4% interest rate.

Terms & Security

The RLF requires adequate collateral for the loan request. Preferred security is a irrevocable letter of credit. Other acceptable collateral includes a first lien on real estate and/or machinery and equipment. The maximum loan term is 10 years. Generally, the length of the loan will be based on the collateral offered by the applicant:

Building	10 Years
Real Estate	10 Years
Equipment	5 to 7 Years

Other Funding

A minimum of 20% of the project must be funded from equity or debt sources other than Osceola Electric Cooperative, Inc.'s RLF.

Administration Fees

Generally, the RLF will charge an annual administration fee equal to 1% of the outstanding balance of the loan.