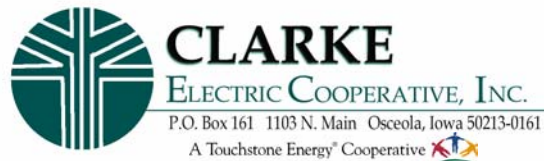




With the help of Clarke Electric Cooperative, Healthcare of Lamoni (above) and Southwestern Community College—Osceola Campus (below) received a USDA RLF for a combined total of \$396,000 loaned for both projects.



As the loans are repaid the money is available for relending to qualified applicants.



Clarke Electric Cooperative is an Equal Opportunity Lender. Federal law prohibits discrimination. Complaints of discrimination may be filed with the Secretary of Agriculture, or Director, Operations, Civil Rights, USDA, 14th & Independence, SW, Washington, D.C. 20250.

# CLARKE ELECTRIC COOPERATIVE

## REVOLVING LOAN FUND PROGRAM SUMMARY

for  
Community  
&  
Economic  
Development



[www.cecnet.net](http://www.cecnet.net) - 641-342-2173 - 641-342-6262 fax

*United States Department of Agriculture, Rural Economic Development Agency created the Community/Economic Development Revolving Loan Fund (RLF) to improve the quality of life in rural areas by contributing to long term improvements 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. Priorities include:

- job creation and retention
- diversification of the local economy
- improving the skills of rural workforce
- upgrading the public infrastructure to improve the health, safety, and / or medical care of rural residents.

This fund is administered by the Board of Directors of Clarke Electric Cooperative, Osceola, Iowa, in compliance with the USDA program's terms and conditions.

**FOLLOWING IS A SUMMARY OF THE RLF LOAN TERMS AND PROGRAM ELIGIBILITY REQUIREMENTS.**

**ELIGIBLE APPLICANTS** include organizations involved in community or economic development projects.

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

**ELIGIBLE USES OF FUNDS**

- Land Purchase
- Buildings
- Fixed Assets
- Machinery & Equipment
- Infrastructure

**INELIGIBLE USES OF FUNDS**

- Pre-development costs
- Refinances

**LOAN TERMS** are set by the CEC 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
Typical Maximum Loan	\$50,000

**INTEREST RATES** will vary depending on the project's rating and risk factors, not to exceed prevailing prime rate.

**TERMS & SECURITY**

The RLF requires adequate collateral for the loan request. Preferred security is an irrevocable letter of credit. Other acceptable collateral includes a first lien on real estate and/or machinery & equipment. The maximum loan term is ten 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 the USDA RLF.

**ADMINISTRATION FEE**

Generally, the RLF will charge an annual administration fee equal to 1% of the outstanding balance of the loan. Additional legal fees and permits may be charged on the application.

**FUND AVAILABILITY**

RLF loan applications are accepted at the Clarke Electric Cooperative office located at 1103 North Main in Osceola, Iowa.

**FOR MORE INFORMATION, LOAN APPLICATIONS, OR TO CHECK ON AVAILABILITY OF FUNDS, CONTACT:**

Bill Freeman, General Manager  
1103 N. Main  
Osceola, IA 50213  
1-800-362-2154  
641-342-6292 fax  
[wfreeman@cecnet.net](mailto:wfreeman@cecnet.net)