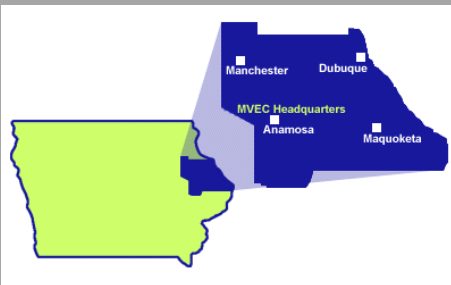


Objectives

Maquoketa Valley Electric Cooperative (MVEC) has played an active role in the development of its rural Iowa service territory.

Through its Board and staff, MVEC has provided not only leadership but financial participation in economic development and business expansion. Through the creation of a Revolving Loan Fund, MVEC is seeking to improve the quality of life in rural areas.



Serving Delaware, Dubuque, Jackson and Jones Counties and portions of 5 other counties.

More Information

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



109 North Huber Street
Anamosa, Iowa 52205
800-927-6068 or 319-462-3542

Contact: Christie Remley
Phone: 319-820-0261
Email: cremley@mvec.com
Web Site: www.mvec.coop



"This institution is an equal opportunity provider, employer and lender."



Program Summary

**Community/Economic
Development
Revolving Loan Fund**

Our Energy Working for You!
Since 1935

Origin

Maquoketa Valley Electric Cooperative (MVEC) 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 MVEC Board of Directors with guidance from a revolving loan fund committee.

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



Eligible Applicants

Organizations involved in community or economic development projects.

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

Eligible Uses of Funds

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

Ineligible Uses of Funds

- Pre-development Costs
- Refinances

Fund Availability

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

Other Funding

The Cooperative seeks to minimize its participation by working with local lenders. Generally, a minimum of 50% of the project must be funded from equity or debt sources other than the RLF.

Loan Terms

Terms are set by the MVEC Board of Directors and are based on 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 \$200,000

Interest Rates

Will not exceed the prevailing prime rate as published in the Wall Street Journal and will be determined based on the evaluation of ability to repay. Generally loans will have a 1% interest rate and a 1% annual service fee will also be applied (calculated as 2% on amortization schedule).

Terms and 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 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 as follows:

| | |
|-------------|--------------|
| Building | 10 Years |
| Real Estate | 10 Years |
| Equipment | 2 to 7 Years |
| Computers | 2 Years |

