

Investing in Woodbury County Loans

Maximum Amounts:	Secured Loans up to \$50,000. Unsecured Micro-Loans up to \$10,000
Use of Proceeds:	To start or expand an existing business physically located in Rural Woodbury County (all areas of county other than the City of Sioux City). Qualifying business purpose would be for land, building, equipment, or working capital only in connection with land, building and equipment.
Interest Rate:	2%
Maturity Date:	Variable based upon project and business plan
Typical Package:	Stand alone loan or packaged with other loan programs
(A Program of Woodbury County, Iowa)	

Investing in Woodbury County Programs

INVESTING IN WOODBURY COUNTY LOAN CHECKLIST

SECURED LOAN PROGRAM:

Financing Available: \$50,000 (Secured Loans)

Use of Loan Proceeds: To start or expand an existing business physically located in Rural Woodbury County (all areas of county other than the City of Sioux City). Qualifying business purpose would be for land, building, equipment, or working capital only in connection with land, building and equipment.

Term of Loan: Negotiable term based upon collateral offered, project feasibility/business plan, security position

Rate of Interest: 2%

Downpayment: Negotiable

How Long Does It Take: SEDC Board Meets on the Third Wednesday of each month.

Collateral: Lien on Project Assets or Other Assets as negotiated. Subordinate only to Primary Lender in packaged loans.

Eligible Businesses: Loan applicants must be residents of Woodbury County; however, loan proceeds must be used for businesses that are physically located in only in rural Woodbury County (all areas of county other than the City of Sioux City). Therefore, a citizen of Sioux City could start a business only in rural Woodbury County.

Loans will not be available under this program for residential structures, or solely for the purpose of rehabilitation of existing business structures, or merely to refinance an existing loan, or for purely passive business ventures. Loans could, however, be provided a developer who plans to build or improve a commercial structure if developer has solid commitments from otherwise qualifying businesses to lease space in the facility.

Area of Operation: Rural Woodbury County, Iowa

Loan Criteria: Will consider number of jobs created, on-farm or off-farm agricultural businesses, service related businesses as opposed to strictly retail businesses (unless retail business serves existing activity in community), if a structure will be rehabilitated in order to conduct the business, and general need for the business in community.

MICRO-LOAN PROGRAM:

Financing Available: \$10,000 (Unsecured Loans)

Use of Loan Proceeds: To start or expand an existing business physically located in Rural Woodbury County (all areas of county other than the City of Sioux City). Qualifying business purpose would be for land, building, equipment, or working capital only in connection with land, building and equipment.

Term of Loan: Negotiable term based upon project feasibility/business plan.

Rate of Interest: 2%

How Long Does It Take: SEDC Board Meets on the Third Wednesday of each month. However, in order to get a micro-loan, borrower must join a group of at least three unrelated borrowers that have a mutual business reason to ensure the success of the members of the group. Therefore, approval of a loan application may take longer to obtain.

Applicant & Group Eligibility: Unsecured Micro-Loans will only be provided to those with insufficient assets that prevent them from obtaining a traditional secured loan. The idea is create social capital by requiring an applicant to join at least two other unrelated borrowers who have a mutual interest in seeing each member succeed. Joint and several liability of each group member loan, together with the ability to get subsequent loans, will be negotiated. Example: a group of individuals decide to raise vegetables in "high-tunnel" structures. They can operate a joint composting area, enter into a joint marketing agreement for their crops, buy a refrigerated truck for distribution, etc. Each group member may apply for the maximum amount of loan proceeds (\$10,000).

Eligible Businesses: Loan applicants must be residents of Woodbury County; however, loan proceeds must be used for businesses that are physically located in only in rural Woodbury County (all areas of county other than the City of Sioux City). Therefore, a citizen of Sioux City could start a business only in rural Woodbury County.

Loans will not be available under this program for residential structures, or solely for the purpose of rehabilitation of existing business structures, or merely to refinance an existing loan, or for purely passive business ventures. Micro-loans are not available to a developer of commercial property under any circumstance.

Area of Operation: Rural Woodbury County, Iowa

Loan Criteria: The idea behind Micro-Loans is to provide support for new business ventures, and to assure success through collaborative efforts.

Will consider on-farm or off-farm agricultural businesses, service related businesses as opposed to strictly retail businesses (unless retail business serves existing activity in community), if a structure will be rehabilitated in order to conduct the business, and general need for the business in community.

SECURED & MICRO-LOAN PROGRAMS:

Fees:

Processing Fee: one-time fee of 1% of Investing in Woodbury County loan

Servicing Fee: annual fee of 1/2% of declining balance

Closing Costs are responsibility of Borrower.

Contact:

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