

Loan Guidelines Summary

- Loan applicants must be located in the counties of Bremer, Buchanan, Butler, Chickasaw, or Grundy
- The maximum loan amount is \$125,000
- The interest rate will not be less than 4%
- Loan length:
 - Fixed Asset: up to 15 years
 - Working Capital and Inventory: up to 7 years
- Borrower must show a minimum of 10% personal or business equity investment in the project
- Loans may be secured by a combination of mortgages, security interests in personal property, or guarantees from owners and/or shareholders
- Davis Bacon restrictions, environmental requirements, and EEOC compliance may apply to the loan



REVOLVING LOAN FUND

Iowa Northland Regional
Economic Development
Commission



Iowa Northland Regional Economic
Development Commission (INREDC)

A service of the
Iowa Northland Regional
Council of Governments (INRCOG)

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Funded in part by the
U.S. Department of Commerce,
Economic Development Administration
and
Iowa Economic Development Authority



Who We Are

The Iowa Northland Regional Economic Development Commission (INREDC) operates under the umbrella of the Iowa Northland Regional Council of Governments (INRCOG). INRCOG is a voluntary association of local governments established by state law serving the member jurisdictions in Black Hawk, Bremer, Buchanan, Butler, Chickasaw and Grundy counties. As a service and planning organization, it is responsible for coordinating, assisting and facilitating programs in Community and Economic Development that will benefit all governmental bodies in the INRCOG region. Emphasis is placed on intergovernmental communication and cooperation, accessing of funds, and the need for continuing, comprehensive planning.

Revolving Loan Fund Summary

The INREDC Revolving Loan Fund was established through grants from the U. S. Department of Commerce, Economic Development Administration (EDA), and the Iowa Economic Development Authority (IEDA). Loans are designed to assist eligible businesses with fixed asset acquisition (including land acquisition and building renovation and construction), inventory, and working capital needs. Businesses must be located in Bremer, Buchanan, Butler, Chickasaw, or Grundy counties. RLF loans are intended to be gap financing for projects that cannot qualify for funding through regular channels. All RLF administrative expenses are paid from fees and interest earned on loans. Repaid loan dollars will be available for future lending.

Loan applications will be initially reviewed by INREDC for completeness and eligibility. Loan approval is then determined by the INREDC Loan Review Committee and the INRCOG Executive Committee.

INREDC staff is available to discuss any project prior to completion of the loan application and provide additional guidance.



Application Process

A loan application form can be obtained from INREDC or at www.inrcog.org/econdev.htm

- A non-refundable \$100 fee is due when an application is submitted. Approved loans will also be subject to a Loan Processing Fee equal to 1.5% of the loan amount, due at the loan closing. Additional costs related to loan approval, i.e., abstract continuations, title opinion fees, etc., will be the responsibility of the borrower.
- Financial information, tax returns, business plan, etc., must be submitted with the loan application. See the Loan Application for additional details.
- Additional information may be requested during the loan review process.

Job creation and retention is a goal of the INREDC Revolving Loan Fund. Although meeting specific targets is not a loan condition, job retention and creation is considered in the loan review process. Loan proceeds may not be used to pay off existing debt.

Contact Us

For additional information and loan guidance, contact:

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