



REVOLVING LOAN FUND



What is the Revolving Loan Fund

Steele-Waseca Cooperative Electric (SWCE) has developed a Revolving Loan Fund (RLF) through the Rural Business Cooperative's Service and its Rural Economic Development Loan and Grant Program. The RLF's purpose is to provide financing alternatives for new, existing, or expanding businesses or community facilities to enhance employment and economic opportunities.

The RLF is intended to be supplemental to a primary lending source to enable facilities in situations where a deserving, qualified project might otherwise go unfunded. The RLF will work with primary lenders by guaranteeing a minority portion of an approved loan.

Eligible Projects

- Industrial and commercial development
- Small business expansion or start up
- Business incubators
- Community infrastructure and facilities
- Medical facilities
- Training and educational facilities
- Tourism projects

Eligible Entities

- Corporations
- Partnerships
- Sole proprietorships
- Limited liability companies
- Cooperatives
- Governmental entities
- Nonprofit entities

Eligible Uses

- Building construction, addition, or renovation
- Real estate
- Machinery and equipment
- Working capital

Loan Specifications

- Minimum loan amount is \$15,000
- Maximum loan amount is restricted to funds available in the RLF
- Collateral/Letter of Credit required
- Insurance is required
- Interest rate is set by the Internal Loan Committee
- Repayment terms for loan under \$50,000 (1 to 5 years)
- Repayment terms for loan over \$50,000 (5 to 10 years)
- Prior to advancement of funds, an approved loan recipient will be responsible for paying:
 - All legal and closing costs
 - \$500 loan administration fee
- The RLF may not be used for refinancing existing debt or illegal activities

How do you apply?

Interested applicants may complete an application. Applications will be reviewed by an internal loan committee and presented to the Steele-Waseca Cooperative Electric Board of Directors for final approval or denial.

