

Cherryland Electric Cooperative

Revolving Loan Synopsis

Highlights ONLY – Be sure to check policy and application for complete details

- Recipients may be private or public organizations having corporate and legal authority to incur debt.
- Goal to finance projects that promote economic development and job creation in rural areas. Examples:
 - Business expansions and business startups, including cost of buildings, equipment, machinery, land, and site development
 - Community infrastructure necessary for economic development and job creation purposes
 - Medical facilities and equipment to provide medical care to rural residents
 - Educational facilities and equipment to provide training and job enhancement skills to rural residents to facilitate economic development
 - Business incubator projects to assist in developing emerging enterprises
- Revolving fund monies will NOT be used for:
 - Projects related to Cherryland EC that would create a conflict of interest or the appearance of a conflict of interest
 - Project costs incurred by the third-party recipient prior to the filing of the completed application
 - Refinancing or paying off any existing debt owed by the third-party recipient
 - Projects located in areas covered by the Coastal Barrier Resources Act or projects that would adversely impact the environment
 - Projects that will be used for residential purposes or entertainment purposes at the residential level
 - The purchase of an established business or operation
 - Projects that will result in the transfer of existing employment or business activities from one area to another
- Supplemental requirement of at least 20%; no in-kind contributions accepted as supplemental financing
- Zero interest payments
- Principal repayment will be on a monthly basis for a maximum of 10 years
- Recipient will provide collateral acceptable to Cherryland EC
- Application will consist of documents referenced in 7 CFR 1703.34 as Cherryland EC deems appropriate and necessary

- In the event that two entities apply for a loan in or about the same time period, factors considered by Cherryland EC in awarding loan funds will include but may not be limited to:
 - Type of project
 - Direct job creation resulting from the proposed project
 - Long-term improvements in economic development resulting from the project
 - County economic conditions – unemployment rate and per capital personal income
 - Number of long-term jobs to be created per \$100,000 of total project cost
 - Physical location of project in cooperative service territory
 - Loan repayment ability of recipient based on business plan