

Application Process

- > Work with the RLF Manager to gain an understanding of the program and to determine eligibility.
- > Secure application materials from the RLF Manager at NECOG.
- > Develop a business plan, including financial projections, for your proposed project.
- > Secure a participating lender and submit a complete application to NECOG-DC.
- > NECOG-DC Board will review applications on a timely basis.

NONDISCRIMINATION STATEMENT

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NECOG DEVELOPMENT CORPORATION

*Revolving
Loan Fund*

**SERVING NORTHEAST
SOUTH DAKOTA**

SINCE 1989

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REVOLVING LOAN FUND

GOALS

- * Provide access to capital for new and expanding businesses in the region.
- * Assist in the creation of new job opportunities for the residents of northeast South Dakota.
- * Help to stimulate economic activity in the rural areas of northeast South Dakota.
- * Encourage businesses and individuals to invest in the future of the local communities and citizens.

ELIGIBLE COUNTIES

Beadle	Hand
Brown	Marshall
Campbell	McPherson
Day	Potter
Edmunds	Spink
Faulk	Walworth

ELIGIBLE PROJECT COSTS

- > **Business Acquisitions**
- > **Land/Building Acquisition**
- > **Building Renovation**
- > **Inventory Purchase**
- > **New Building Construction**
- > **Equipment Purchase**
- > **Machine/Supplies Purchase**
- > **Leasehold Improvements**
- > **Start-Up Costs**
- > **Permanent Working Capital**

*Short-term operating loans and refinancing of existing debt are **not** eligible for NECOG-DC participation.*

AVAILABLE FINANCING

NECOG Development Corporation provides direct loans to eligible applicants. As a secondary lender, NECOG-DC usually requires a participating lender in the project - usually a local bank.

It is assumed that the combination of the bank financing and owners equity in the project will provide the majority of the total project costs. If unable to secure local financing, NECOG-DC may consider funding the entire project.

NECOG-DC Board determines loan terms (including interest rate and amortization schedule) on a case-by-case basis. Loans are generally amortized over a longer-than-normal term (to assist the business with cash flow), and feature a balloon payment. NECOG-DC will require adequate collateral, usually including a personal guarantee from the applicant.

Any question regarding eligibility should be directed to the RLF Manager at the Northeast Council of Governments.