

Siouxland Economic Development Corporation: "Your Partner In Small Business Development Finance"

From the Chairman



We just completed our a second SBA 504 workshop in Sioux City and had very good attendance. This was our first time to have two workshops in the same year. The first workshop was coupled with a golf outing in June in Okoboji on a course financed with the SBA 504

program and all seemed to have a good time. The second workshop was held in September in our new SEDC offices on Historic 4th Street in Sioux City. It was nice to see our new Board of Directors room put to good use.

As always, we appreciate all of you who help us help small businesses in Siouxland.

Happy New Year to all!

Your Economic Development Partner,

Dusty Small, Chairman
Siouxland Economic Development Corporation

In This Issue

From the Chairman.....	1
SBA fee eliminated.....	1
GRAND PRIZE WINNER.....	2
SBA 504 fee detail.....	2
NEXT 504 Workshops.....	2
SEDC Loan Programs.....	3
SEDC Board of Directors and Staff.....	3
Recent Lending Partners.....	4
SEDC Activity Report.....	4

SBA eliminates fee for the 504 Loan Program. Interest rate drops!

It is very rare that the cost for any product goes down. And extremely rare that the federal government would reduce the cost for any of its products. But it just happened! Effective last October 1st, the U.S. Small Business Administration eliminated the 1/2 of 1% fee for the 504 Loan Program. This represents a great savings to all business owners needing lower interest, fixed rate, business loans! (See Page 2 for fee details.)

In addition, the SBA 504 Loan Program's effective interest rate has been dropping hitting a year low of 6.25% in December. (See Page 3 for recent interest rate tables.)

Now is the time to consider the SBA 504 Loan program for fixed asset financing. Two products are available: 1) 10 year term and 2) 20 year term. SEDC staff are available to custom package financing for small businesses. Our goal is to always provide hands on assistance to all businesses to make the loan application process as smooth as possible.

For details call Ken, Glenda, Jackie, Denise or Adam at SEDC 712-279-6430



"The Mission of the Siouxland Economic Development Corporation is to further the economic development of Siouxland."

SBA 504 Workshop Held

Dave Hughes of Northwestern State Bank, Orange City wins \$300 cash door prize!



SEDC held a second SBA 504 workshop in Sioux City in SEDC's new office space. This was the first time SEDC had TWO workshops in the same year. The other was held in the summer at the Okoboji View Golf Course. (That course purchase was funded using the 504 program) There was great attendance at both workshops so we intend to do the same next year. Attendees won free shirts, candy and tote bags. And the \$300 cash GRAND PRIZE for the day was won by Dave Hughes, Vice President, Northwestern State Bank, Orange City. Congratulations Dave!

Next SEDC 504 Workshops:

- ◆ June 2008, Okoboji View Golf Course
- ◆ September 2008, Whispering Creek Golf Course in Sioux City



Tom Harbison, SBA Deputy District Director, presented all of SBA's other programs at SEDC's workshop in Sioux City.

cont'd from first page—SBA Fees reduced!

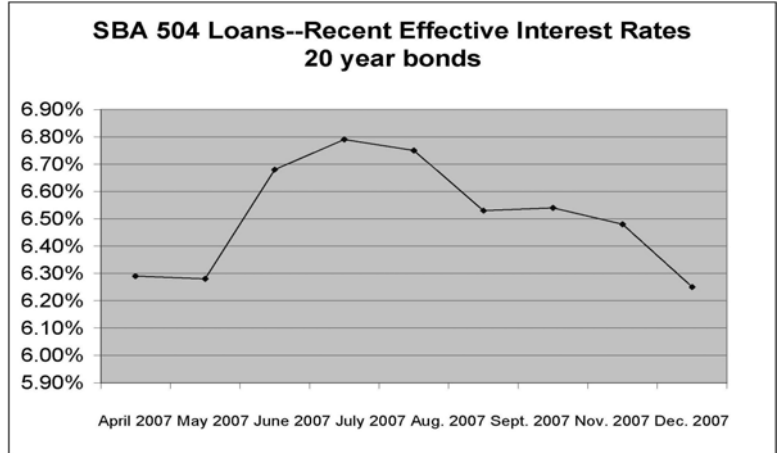
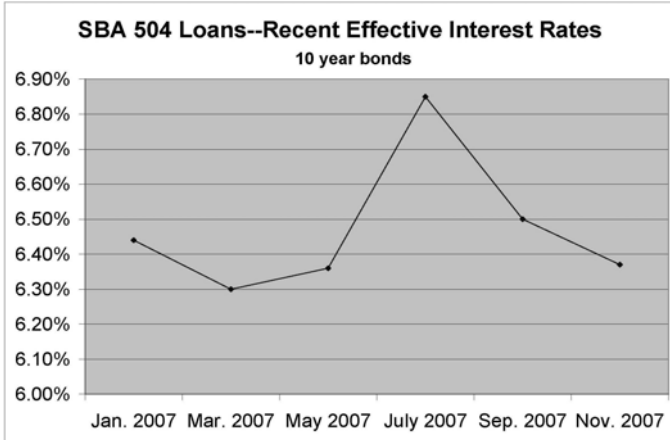
Sample of 504 fees before and after Oct. 1, 2007
Based on a 20 year loan with \$1 million total cost

	Before Oct. 1st	After Oct. 1st
40% of project costs	\$400,000	\$400,000
SBAGuaranty Fee (.50%)	\$2,000	\$0
Funding Fee (NDP x .25%)	\$1,000	\$1,000
<i>Subtotal</i>	\$3,000	\$1,000
Underwriters Fee	\$1,636	\$1,636
Total Fees*	\$4,636	\$2,636

*Closing Costs and a Loan Origination Fee are also due in addition to the above
(closing costs are filing fees, appraisals, title opinions, etc.)

Sample of a 10 Year Loan

Before Oct. 1st	After Oct. 1st
\$400,000	\$400,000
\$2,000	\$0
\$1,000	\$1,000
\$3,000	\$1,000
\$1,534	\$1,534
\$4,534	\$2,534



SEDC Board of Directors & Officers

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Bill Wilson	Steve Martin	Dean Lafrentz

Emeritus: Fred Davenport, Jr., James Sherman, Kay Lagan
 Ex-Officio: SEDC Attorneys and Auditor
 SIMPCO Executive Directors
 City of Sioux City Econ. Dev.
 City of SSC Administrator
 Siouxland Chamber of Commerce



SEDC Staff

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Please note our new e-mail addresses and new phone and fax numbers below:

Siouxland Economic Development Corporation

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 Sioux City, IA 51101

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Web Site: www.siouxlandedc.com

This Institution is an Equal Opportunity Provider.

SEDC Loan Programs

SBA 504 Program

Maximum Amount: \$1,500,000 (\$2,000,000 in certain situations or \$4,000,000 for small manufacturing) or 40% of total project cost (the lesser)
 Use of Proceeds: Fixed Assets (land, building, equipment)
 Interest Rate: Approx. 1% above 10 yr. Treasury Note
 Term: 10 or 20 years based upon economic life of the assets financed.
 Typical Structure: 50% Bank, 40% 504 Debenture, 10% Local Injection
 Fees: One time fee of approx. 2% of the loan (capitalized as part of the loan).

RLF (Revolving Loan Fund)

Maximum Amount: \$100,000 or 25% of total project cost (the lesser)
 Use of Proceeds: Fixed Assets or Working Capital
 Interest Rate: 2% fixed below primary lender's rate
 Term: Must match life of financed assets
 Typical Package: 65% Bank, 25% RLF, 10% Equity Injection
 Fees: One time fee of 1% of the RLF loan, an annual fee of 1/2% of declining RLF balance, and all loan closing costs.

SBA Microloan

Maximum Amount: \$35,000
 Use of Proceeds: Working capital, inventory, fixtures, lease hold improvements, and equipment
 Interest Rate: Currently 10% fixed
 Term: Maximum maturity of 6 years
 Typical Package: 100% Microloan
 Fees: \$20.00 credit report fee and all loan closing costs



**Siouxland Economic Development Corporation:
“Your Partner In Small Business Development Finance”**

Spotlighting Our Activity Report

June 30, 2007—December 31, 2007

Location	Business Type	Total Project Costs	SEDC/SBA Funds	SBA Type	Jobs Created
Sioux City, IA	Fast Food Restaurant	\$1,295,760	\$528,000	504	10
Granville, IA	Trike Fabrication & Assembly	\$290,000	\$250,000	7(a)	0
Hull, IA	Auto Body Repair	\$95,000	\$38,000	-	2
Storm Lake, IA	Full Service Pizza/Sub Restaurant	\$130,600	\$55,000	504	1
Sioux City, IA	Accounting and Payroll Services	\$24,915	\$16,915	MLN	2
Holstein, IA	Hog Farrowing	\$5,453,000	\$1,943,000	504	4
Sioux City, IA	Motel	\$3,022,000	\$722,000	504	0
Davenport & Bettendorf, IA	Tanning Salon	\$600,000	\$450,000	7(a)	8
Sutherland, IA	Family Restaurant	\$25,100	\$7,500	MLN	4
Rock Valley, IA	Metal Fabrication	\$244,100	\$101,000	504	13
Sioux Center, IA	Full Service Salon	\$20,000	\$20,000	MLN	2
Rock Valley, IA	Mfg. metal and plastic parts	\$775,000	\$310,000	504	1
Sioux City, IA	Coffee shop	\$25,000	\$25,000	MLN	0
Spencer, IA	Appraisal Services	\$30,000	\$20,000	-	2
LeMars, IA	Hotel	\$4,100,000	\$1,435,000	504	9
Ireton, IA	Hog Production	\$1,044,465	\$333,000	504	2
Niobrara, NE	Rural Lodge	\$220,000	\$71,000	504	2
Larchwood, IA	Custom Cabinets	\$342,236	\$144,000	504	1.5
Akron, IA	Car Wash	\$530,000	\$193,000	504	1
Holstein, IA	Grocery Store	\$370,000	\$155,000	504	0
Remsen, IA	Dairy	\$390,000	\$143,000	504	1
South Sioux City, NE	Commercial Glass	\$160,000	\$69,000	504	0
		\$85,750	\$21,450	-	1
TOTAL		\$19,272,926	\$4,466,415		67

Recent Lending Partners

SEDC thanks the following lenders for participating
in our loan programs during the past few months:

- | | |
|---|---|
| Tom Ross, Iowa-Nebraska State Bank, Onawa, IA | Scott Kooiman, Iowa State, Orange City, IA |
| Denny Van Oort, Iowa State Bank, Ireton, IA | Ross Harden, Primebank, Le Mars, IA |
| Brandon Baller, Security National Bank, Hartington, NE | Mark Kreun, American State Bank, Hull, IA |
| Kathi Wilke, Peoples Bank, Lester, IA | Dave Drey, Citizens First National Bank, Storm Lake, IA |
| Trey Else, American Nat'l Bank, Holstein, IA | Duane Pearson, Heritage Bank, Holstein, IA |
| Charles Neuroth, Farmers Savings Bank, Remsen, IA | Randy Snyders, Home Federal, Sioux Falls, SD |
| Doug Pfeifer, Siouxland National Bank, South Sioux City, NE | Bob Butcher, American National Bank, Holstein, IA |
| | Brian Richter, Peoples Bank, Rock Valley, IA |