



Business Expansion Loan Program

Purpose: To facilitate commercial and industrial investment in areas served by all-requirements cooperative members of Great River Energy, and support projects that will result in new energy sales.

Borrower Eligibility:

A Commercial business or municipality serving a commercial customer of an all-requirements cooperative member of Great River Energy.

Eligible projects shall result in a minimum new electrical demand of 500 kW.

The business must demonstrate credit worthiness and adequate repayment ability.

Eligible Uses: Business expansion or start-up costs including:

Land acquisition and pre-development activities

Construction costs

Equipment

Ineligible Uses: Debt refinance, or working capital

Maximum and Minimum Loan Amounts:

Minimum - \$100,000

Maximum – \$500,000 - Based on project scope

Loan Terms:

Loans could be structured as a direct loan to the borrower, or loan participation with a lead lender.

The Business Expansion loan is limited to 50% of the total project costs. Interest rate on the loan could be as low as 0.0%.

For a direct loan, the loan must be collateralized through an annually-renewing letter of credit or through a municipal guaranty with a value equal to 100% of the loan amount.

In a loan participation a shared collateral position with the lead lender is required.

The maximum loan term is ten years.