R.E.D.I.
Business Assistance

Regional Economic Development Investments, INC. (REDI) is a non-profit corporation that operates a Revolving Loan Fund (RLF) in the ten Iowa counties of: Appanoose, Davis, Jefferson, Keokuk, Lucas, Mahaska, Monroe, Van Buren, Wapello, and Wayne.

Organized in 1991, REDI, INC. established its loan fund through a grant from the U.S. Department of Commerce Economic Development Administration. The purpose of the RLF is to support business activities for which credit is not otherwise available. This source of "gap financing" is used for business start-up, expansion, or retention of jobs.

To date, the REDI organization has assisted 56 businesses with the expansion and retention of over 1700 jobs. This valuable resource is available through Development Corporations within the member counties.

Interested businesses should contact their local Development Organization for a loan application. Once the application is completed, it should be returned to the Development Organization, where it will be submitted to the REDI Loan Review Committee. Completed Loan Applications are reviewed by committee within 14 days. The REDI Board of Directors acts on Loan Review Committee recommendations within 14 days.

LOAN TERMS

Length of Loan

- 3 to 5 years for working capital loans.
- 5 to 7 years for fixed asset loans.

Interest Rates

- Fixed, simple interest rates.
- Rates range from 5% to 4 points below the prime lending rate.

Maximum Loan / Collateral

- Access $7,500 for each job created or retained, up to a maximum of $150,000.
- A minimum of $2 from other sources for every $1 from REDI funds.

LOAN PURPOSES

Eligible Activities for REDI Loans

- Expand or modernize facilities.
- Purchase machinery, equipment, fixtures, and leasehold improvements.
- Finance increased receivables and augment working capital.
- Construct new commercial buildings.
- Purchase existing land and/or buildings.

Ineligible Activities for REDI Loans

- Loan guarantees.
- Speculative activities (land banking, speculative building, etc.).
- Refinancing existing loans.

IDEAL PROJECTS

Successful Projects will Demonstrate

- Providing permanent jobs and training opportunities to unskilled, semi-skilled, underemployed, unemployed, and minorities.
- Leveraging the highest ratio of private dollars to REDI dollars.
- Management ability.
- Experience in the field

APPLICATION INFO

Information Required for Loan Application

- Statement of what loan purpose.
- Written history of business.
- Financial statements for 3 years. (existing businesses only)
- Schedule of term debts. (existing businesses only)
- Aging accounts receivable & payable. (existing businesses only)
- Lease details. (if available)
- Amount of Owner Investment.
- Income, Expense, & Cash Flow projections.
- Signed personal financial statements.
- Personal resumes.
- Number of Jobs to be created and/or retained, and job cost information.
- Letter from conventional lender stating why it will not finance the entire project.

For More Information Contact Your Local Development Organization

APPANOOSE COUNTY*
Appanoose Economic Development Corp.
641.856.0660

DAVIS COUNTY*
Davis Co. Development Corp.
641.664.2300

JEFFERSON COUNTY*
Fairfield Chamber of Commerce
641.472.2111

KEOKUK COUNTY
Sigourney Area Development Corp.
641.622.2288

LUCAS COUNTY*
Chariton Chamber & Development Corp.
641.774.4059

MAHASKA COUNTY*
Mahaska Co. Ag. & Rural Development
641.673.6385

MONROE COUNTY
Albia Industrial Development Corp.
641.932.7233

VAN BUREN COUNTY*
Villages of Van Buren
319.293.7111

WAPELLO COUNTY*
Ottumwa Area Development Corp.
641.682.3465

WAYNE COUNTY*
Wayne Co. Development Corp.
641.872.1536

*Active Member

R.E.D.I.

Administrative Entity:

AREA 15 REGIONAL PLANNING COMMISSION

651 Indian Hills Drive
Building 17, Lower Level
P.O. Box 1110
Ottumwa, IA 52501

Phone: 641.684.6551
Fax: 641.684.4894
Email: area15rpc@indianhills.edu
Web: www.area15rpc.com

This brochure was prepared in part by the U.S. Department of Commerce Economic Development Administration (EDA)

Revised 03.05.08

R.E.D.I.

Regional Economic Development Investments

INC.

Financial Assistance for Business Start-up, Expansion, and Retention

Tel: 641.684.6551