



REGION XII

DEVELOPMENT CORPORATION

Housing Developers eligible to receive up to \$400,000

Region XII Development Corporation (RDC) is offering persons or companies who develop housing units (either single or multi-family units) a working capital loan on a 5-year term for projects constructed in one of 13 eligible counties in Iowa. Program specifics include:

- ◆ Maximum loan amount of \$400,000.
- ◆ Funding may be used for working capital and pre-business development costs such as architectural engineering and legal fees. Loan proceeds cannot be used to purchase the property.
- ◆ 10-year amortization with a 5-year balloon. Loans with a 20-year amortization may be considered if the project requires it.
- ◆ Fixed interest rate for term of the loan. Current rate as of October 1, 2024 is 5.5%.
- ◆ 10% cash injection required.
- ◆ Applicants must demonstrate the need for funding and must attempt to leverage bank financing as the RLF program does not compete with banks. This funding is intended to be gap financing in support of a bank loan.
- ◆ Application fee of 1.5% of the amount requested from Region XII due with the application (e.g. \$6,000 fee is requesting \$400K).
- ◆ Eligible counties: Non-urbanized areas of Audubon, Boone, Carroll, Crawford, Dallas, Greene, Guthrie, Jasper, Marion, Polk, Sac, Story and Warren. RDC staff can assist you if you have a question about a specific location's eligibility.
- ◆ Adequate collateral is required.
- ◆ Monthly interest-only payments available for up to 12 months whereupon principal and interest payments must be made for the remaining term.

For more information on applying for these funds, please contact:
Tami Lehmann at tlehmann@region12cog.org or 712-775-7802
Scott Steffen at ssteffen@region12cog.org or 712-775-7804



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