

Capital Investment Fund helps build the Madison area

By Dwaine Chapel, *Executive Director, Lake Area Improvement Corp.*



South Dakota Rural Enterprise's Capital Investment Fund has provided the Lake Area Improvement Corporation flexibility and just-in-time abilities to provide funding of projects within our community. We have been able to utilize the fund to create new jobs in the technology and manufacturing sector in the Madison area. The development of phase 1 of the Lakeview Industrial Park also was made possible by Capital Investment Fund resources, creating opportunities for expansion by two local companies. The Lake Area Improvement Corporation also has been able to use the funds in our recruitment efforts.

Since we first received the funds three years ago, we were able to work with the expansion and relocation of James River Equipment, a John Deere dealer, into the industrial park. The project saved 22 jobs and added an additional 15. We then used the Capital Investment Fund to complete the park and to help develop the Heartland Technology Center, which has created more than 60 new positions in the technology sector.

Our partnership with South Dakota Rural Enterprise has continued to grow and prosper. The organization is solid in its ability to provide these much-needed funds to organizations such as ours. The entire South Dakota Rural Enterprise staff is knowledgeable and extremely helpful. Capital Investment Fund financing has also been used to make short-term loans on local projects that would not have been able to get up and running. Having access and the flexibility to use these funds has made our job a lot easier.

We believe that South Dakota Rural Enterprise provides a vital tool to all communities within our state. The Capital Investment Fund's lower rates, along with access to much-needed capital, allows us to get the deal done in an expedited timeframe. The funds can be used for specific projects most important to the community. Another key feature is that the funds can be paid back at the end of or during a 10-year period, allowing important cash flow advantages to the development corporation.

Development corporations need access to these types of funds. South Dakota Rural Enterprise is a great organization that provides capital to disperse into the community, creating jobs and wealth.



The Heartland Technology Center

Capital Investment Fund

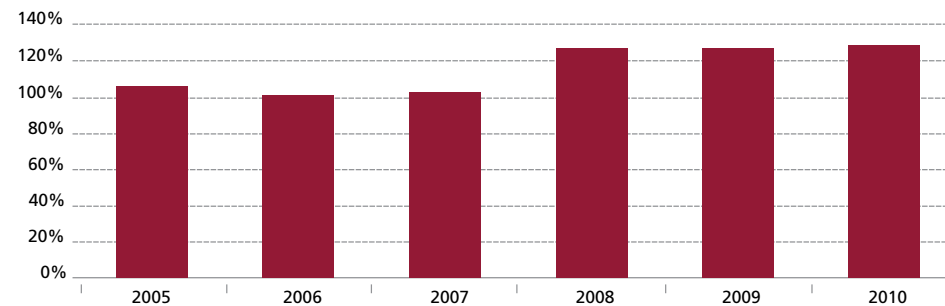
The Capital Investment Fund, South Dakota Rural Enterprise's loan fund for development organizations, grew to more than \$12 million in 2010. Though the economy has been less than robust, even here in South Dakota, development organizations throughout the state continue to stimulate economic opportunities for their communities.

SUMMARY OF CAPITAL INVESTMENT FUND DEMAND GROWTH

Cumulative Fiscal Year End

	2000	2005	2010
Total Assets	\$2,101,319	\$7,499,016	\$12,393,547
CIF Loan Capital	1,750,000	6,390,000	12,000,000
CIF loans Outstanding	#1	#10	#21
	250,000	3,875,000	10,005,000
CIF loans Committed	-	400,000	500,000
CIF loans Approved	-	1,200,000	2,625,000
<i>Percentage of CIF Loans Outstanding Committed and Approved</i>	14%	113%	127%

% of Capital Investment Funds Approved, Committed and Outstanding FYE



Track Record of Steady Growth

