

FEATURE 504:

Whispering Winds Senior Living Center, Howard, SD



New owners, Christina and Marty Konechne, far right, are pictured with L to R, Heartland Director of Economic Development, Casey Crabtree; First District Development Company Loan Officer, Shelby Kraemer; First PREMIER Bank Vice President Market Leader, Floyd Rummel; Whispering Winds Executive Director, Kim Eggert; and former owner, Ryan Spader.

Christina Konechne fulfilled her lifelong dream of owning a long-term care facility by purchasing Whispering Winds Senior Living Center in Howard, SD. First PREMIER Bank in Madison, SD, and First District Development Company via the SBA 504 loan program, paired up to provide Christina and Marty Konechne with the necessary financing. With the SBA loan involved, the Konechnes were able to lock in on low fixed SBA 504 interest rates for a 25 year term. This will keep their debt payments manageable, maximizing cash available for working capital. To complete the financing package, the Konechnes utilized a HELP Fund loan from Howard's wholesale power supplier, Heartland Consumers Power District.

The Konechnes reside in Madison, where Christina works as an executive support specialist for East River Electric and Marty is an elementary physical education teacher for the Madison Central School District. Prior to her current employment, Christina, spent the past seven years, as the chief operations officer for a health care facility in Howard, SD. Christina left her position with the health care facility when she received word the owners of a long-term care facility in Howard were wanting to sell.

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Whispering Winds Senior Living Center Continued

In preparation for this new endeavor, Christina had put in many years of hard work – earning her Bachelor of Science in SLHS (Speech, Language, and Hearing Sciences) and Healthcare Administration, as well as her Graduate Certificate in Long-Term Care Management and her Master of Science Degree in Healthcare Administration. In addition, Christina has worked as a caregiver and as an executive director for several years at two other long-term care facilities. Christina's passion for long-term care began at an early age when her mother worked as a caregiver on an Alzheimer's unit at a long-term care facility.

Whispering Winds Senior Living Center has operated as an assisted living center since it was built in 2001. Whispering Winds has 17 private single bedrooms and two suites, providing for a maximum capacity of 21 residents. Whispering Winds is a homelike, resident-centered community. Compassionate staff, home-style meals, and quality care comprise their core values. Staff members are available 24 hours a day for assistance. The following services are provided to residents: three home cooked meals and snacks daily, exercise programs, recreational activities, laundry and housekeeping, beauty salon, emergency call system, coordination of care needs, and family involvement. Whispering Winds has a Registered Nurse, a Registered Dietician Consultant, and a Pharmacy Consultant on staff and they will assist with physician communication.



Upon Christina taking over management, the residents at Whispering Winds will continue to see familiar faces, as the existing executive director, registered nurse, and registered dietician are all staying on board.

FDDC wishes the Konechnes and the team at Whispering Winds a bright future of continuing to provide excellent care to their residents. Also, FDDC congratulates Christina on accomplishing one of her lifelong dreams – certainly, it has been well earned!



Samantha Jondahl Joins the First District Team

Samantha Jondahl joined the FDDC team in November, 2020, as an Assistant Loan Officer.

Sam received her Associate of Applied Science degree in Financial Services - Business Accounting from Lake Area Tech. Prior to working at FDDC, Sam worked at a local accounting firm for five years.

In her spare time, she enjoys gardening, canning produce, and spending time with her husband, Andy, and their four boys: Lane, Levi, Lawson, and Lexton.

Additional SBA Payment Forgiveness

Authorized through the Economic Aid Act

An additional stimulus package, the Economic Aid Act, was passed December 27, 2020. Congress appropriated \$3.5 billion to carry out additional payment subsidies on SBA loans. Each SBA loan is eligible to receive payment subsidy based on SBA loan approval date and type of industry.

Here are the new general rules that apply to Payment Forgiveness authorized for both SBA 504 and 7a loans:

- ▶ **Approved by SBA prior to September 27, 2020 and funded prior to September 27, 2020**
Eligible to receive Second Round Section 1112 Payment Forgiveness for a 3-month period beginning February 1, 2021. The Forgiveness payment is limited to \$9,000 per month / per loan. The borrower will be responsible for the excess amount. The excess amount will need to be paid by wire or check between the 1st and 15th of each month.
- ▶ **Approved by SBA prior to September 27, 2020 and funded after September 27, 2020**
“Newly Eligible First Round Loans” are eligible to receive Section 1112 Payment Forgiveness for a 6-month period beginning the next payment due. *May be eligible for a Second Round Section 1112 Payment Forgiveness for a 3-month period if SBA determines there are sufficient funds.
- ▶ **Approved by SBA prior to March 27, 2020 and Meets Hard-Hit Industries (By NAICS Codes)**
NAICS codes affected: 213, 315, 448, 451, 481, 485, 487, 511, 512, 515, 532, 61, 71, 72 or 812
Eligible to receive an additional 5-month of Payment Forgiveness immediately following the end of the Second Round Section 1112 3-month period. The Forgiveness payment is limited to \$9,000 per month / per loan. The borrower will be responsible for the excess amount. The excess amount will need to be paid by wire or check between the 1st and 15th of each month.
- ▶ **Approved by SBA between September 28, 2020 and January 31, 2021**
These borrowers are not eligible to receive Section 1112 Payment Forgiveness. Lenders are prohibited from cancelling a loan and resubmitting after February 1, 2021, and are prohibited from refinancing the loan after February 1, 2021.
- ▶ **Approved by SBA between February 1, 2021 and September 30, 2021**
Eligible to receive Section 1112 Payment Forgiveness for a 6-month period beginning with the first payment due.

Payment Forgiveness means the borrower’s SBA payment will be made for them. They do not have to repay it. (It is not the same as being deferred.) SBA 7a Lenders will need to submit their borrower’s payment information to SBA to be eligible. For more information regarding 7a requirements, please refer to SBA Procedural Notice 5000-20079. Click [here](#) for a flowchart outlining this information.

**All Section 1112 debt relief is subject to funds availability provided by Congress.



10-Year Debentures

Jan	2020	3.804
Mar	2020	2.847
May	2020	2.654
Jul	2020	2.400
Sep	2020	2.288
Nov	2020	2.231
Jan	2021	2.450

25-Year Debentures

Apr	2020	3.032
May	2020	2.761
Jun	2020	2.602
Jul	2020	2.410
Aug	2020	2.269
Sep	2020	2.410
Oct	2020	2.430
Nov	2020	2.399
Dec	2020	2.471
Jan	2021	2.696

504 Funding Summary

January 2020 — January 2021

For January 2021, a total of \$50,211,000 twenty-year debentures (or 74 loans), a total of \$239,266,000 twenty-five year debentures (or 277 loans), and a total of \$4,135,000 ten year debentures (or 15 loans) were funded through the sale of certificates guaranteed by SBA.

Rates shown are full term effective rates, which include all monthly service fees. 10-Year Debentures are sold every other month and generally the proceeds are used for equipment purchases. 20-Year and 25-Year Debentures are sold monthly and the proceeds are used for real estate acquisition and/or construction.

20-Year Debentures

Jan	2020	3.644
Feb	2020	3.392
Mar	2020	2.808
Apr	2020	2.960
May	2020	2.688
Jun	2020	2.528
Jul	2020	2.346
Aug	2020	2.214
Sep	2020	2.366
Oct	2020	2.396
Nov	2020	2.364
Dec	2020	2.427
Jan	2021	2.658

Be FIRST to get it FIXED!

