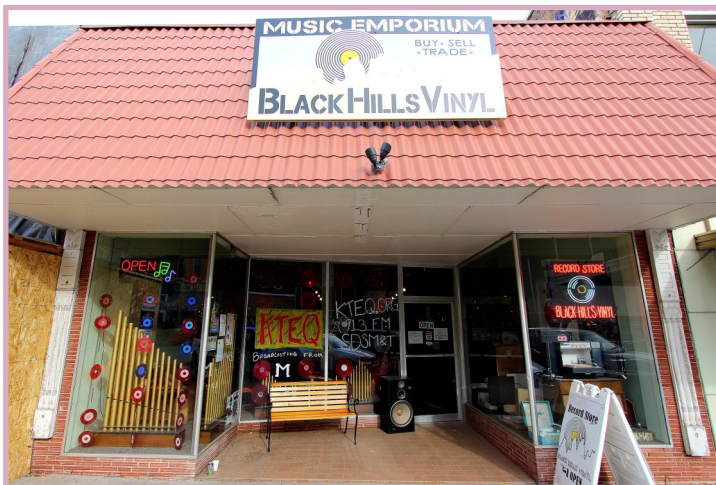


FEATURE 504:

Black Hills Vinyl, Rapid City, SD



Michael and Jennifer Calabrese found their passion for vinyl records while living in Boulder, Colorado. Collecting vinyl records started out as a hobby and according to Jennifer, “We just fell in love with vinyl and started collecting in a big way. We picked up albums for a dollar in thrift stores, garage sales, antique stores, just everywhere.” As their passion, and their collection, grew; the couple began selling records online with the hopes of one day owning their own record store.

After seeing the for-sale ad for Black Hills Vinyl online, Michael and Jennifer decided to visit the store in Rapid City. “We fell in love at the sight of it,” Jennifer said, and the couple purchased the business in 2015 from the original owners. Jennifer has been the store manager since the change in ownership took place.

Black Hills Vinyl opened in 2012 in Rapid City, South Dakota, selling new and used vinyl and turntables. The business moved to its current location, 622 Saint Joseph Street, Rapid City, in 2016. After leasing the space for several years, Michael had the opportunity to purchase the real estate. Black Hills Federal Credit Union in Rapid City, South Dakota, and First District Development Company via the SBA 504 loan program, paired up to provide Black Hills Vinyl with the necessary financing to purchase the property. With the SBA 504 loan involved, the business was able to obtain a low, fixed interest rate with a 25-year term.

(continued on page 2)

Inside This Issue...

Featuring —
Black Hills Vinyl

Revolving Loan Funds

*Wenbourne is FDDC's
Lender of the Year*

*504 Latest
Interest Rates*

FDDC
FIRST DISTRICT DEVELOPMENT COMPANY
418 18th Ave NE, P.O. Box 1207
Watertown, SD 57201

Phone: (605) 882-5115
FAX: (605) 882-5049
E-Mail: paula@1stdistrict.org
amy@1stdistrict.org
shelby@1stdistrict.org
brittany@1stdistrict.org
grace@1stdistrict.org

Website: <http://fddc.1stdistrict.org>

Paula Hulscher, Exec. Vice President
Amy Waite, Loan Officer
Shelby Kraemer, Loan Officer
Brittany Rost, Assistant Loan Officer
Grace Tschakert, Asst. Loan Officer

FDDC is an Equal Opportunity Lender,
Provider, and Employer.

Black Hills Vinyl Continued



Michael and Jennifer have expanded Black Hills Vinyl's product offerings to include CDs, cassettes, equipment and accessories, and disc golf supplies, as well as, new and used vinyl records. In addition, Black Hills Vinyl hosts live music throughout the year. Michael and Jennifer love having the opportunity to talk music with people all day. According to Michael, "People teach us a lot. Older folks come in with a wealth of knowledge to share and the younger kids know all the hipper things." In addition to locals and tourists who shop in-store, Black Hills Vinyl ships products to vinyl enthusiasts across the United States.

FDDC wishes Black Hills Vinyl many more years of continued success!

Revolving Loan Funds — Another Tool to Assist Businesses

FDDC has been a partner of small businesses for 40 years and its experienced staff works to customize a loan product for each of its customers. In addition to the SBA 504 program, First District Development Company offers financial assistance through our Revolving Loan Funds. FDDC's earliest Revolving Loan Funds (RLFs) were established in 1986 with funds from the Economic Development Administration, USDA Rural Development, and state and local matching funds. FDDC currently retains or manages nine RLFs that can be used in certain geographic areas in Eastern South Dakota. This includes separate funds FDDC manages for Deuel, Hamlin, and Kingsbury Counties and the Lake Preston Development Corporation. All of our RLF loan programs offer new and existing small businesses low, long-term fixed interest rate financing. Another perk to FDDC's small business client is they can get into their project with minimal borrower injection. Recently, two businesses took advantage of these Revolving Loan Funds...

Hidewood Meats , Inc., Brandt, SD

With 35 years of experience working in the meat cutting and processing industry, Kevin Nielsen, along with his wife Carol, decided to open their own custom meat processing business with the assistance of First District's Revolving Loan Funds (RLF) and financing provided by Dacotah Bank in Watertown. The loan funds were used to construct the new facility and purchase equipment.

Hidewood Meats, Inc., is located west of Brandt, South Dakota, adjacent to the Nielsens' personal residence. Hidewood Meats provides custom meat processing of beef, pork, lamb, goat, and deer. In addition, they have a variety of retail items including: all cuts of steaks, bacon, flavored beef and brat patties, pork chops, flavored sticks, summer sausage, Bongard's cheese, Quail's Honey, barbeque sauces, meat seasonings, etc. With a wide variety of options, there is something for everyone.



(continued on page 3)

Revolving Loan Funds Continued

Iron Ranch Manufacturing, Watertown, SD



Charlie Raml dba Iron Ranch Manufacturing has been in operation since January 2013. Iron Ranch Manufacturing specializes in manufacturing livestock equipment and custom design. Iron Ranch's products are designed to assist livestock owners in operating in the most efficient manner possible, while being safe. Calf shelters (pictured), portable windbreaks, freestanding panels, freestanding creep panels, and continuous fence panels are the main products Iron Ranch sells. Charlie has integrated innovations, such as automatic latches, internal gates within the creep panels, drop down gates, a new 360 degree hinge design, and more, to ensure maximum efficiency and safety for the operator. In addition to Iron Ranch's main line of products, Charlie also takes on custom job requests from livestock owners, as he has the skillset, computer technology, and equipment to bring his customers' ideas to life. Charlie Raml utilized the RLF funds to purchase new equipment allowing Iron Ranch Manufacturing to grow, as work currently outsourced will now be able to be done in-house.

All of our Revolving Loan Funds are used in conjunction with local lender financing to assist businesses that create or retain employment opportunities as a result of their projects. These funds are utilized for new business construction projects, existing business purchases, or expansion projects. **In total, we currently have approximately \$1.7 million available to lend out.** Generally used for smaller projects, the maximum available to lend to one borrower is \$250,000.

For more information on these programs contact FDDC.



First District Development Company Awards Tyler Wenbourne 2021 Lender of the Year

Each year First District Development Company selects an individual lender who has frequently partnered with FDDC as their "Lender of the Year". For 2021, FDDC awarded Tyler Wenbourne, Business Banker at Dacotah Bank in Aberdeen, South Dakota, as the 2021 Lender of the Year. Wenbourne was chosen based on the number of customers he referred to utilize FDDC financing, the dollar amount of deals, and the competency and efficiency he demonstrated during the process.

As a 16 year veteran at Dacotah Bank, Wenbourne understands the importance of providing his customers with affordable financing options. Congratulations Tyler, we appreciate your hard work and dedication to helping small businesses in South Dakota.

Pictured left, Tyler Wenbourne, Dacotah Bank, Aberdeen, SD

10-Year Debentures

Jan	2021	2.254
Mar	2021	2.700
May	2021	2.623
Jul	2021	2.604
Sep	2021	2.687
Nov	2021	3.109
Jan	2022	3.633

20-Year Debentures

Jan	2021	2.658
Feb	2021	2.720
Mar	2021	3.002
Apr	2021	3.021
May	2021	2.849
Jun	2021	2.770
Jul	2021	2.699
Aug	2021	2.748
Sep	2021	2.860
Oct	2021	3.021
Nov	2021	3.032
Dec	2021	2.880
Jan	2022	3.070

504 Funding Summary

January 2021 — January 2022

For January 2022, a total of \$12,092,000 ten-year debentures (or 21 loans), a total of \$62,330,000 twenty-year debentures (or 102 loans) and a total of \$376,608,000 twenty-five year debentures (or 432 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.

25-Year Debentures

Jan	2021	2.696
Feb	2021	2.757
Mar	2021	3.048
Apr	2021	3.077
May	2021	2.936
Jun	2021	2.887
Jul	2021	2.817
Aug	2021	2.866
Sep	2021	2.977
Oct	2021	3.157
Nov	2021	3.168
Dec	2021	3.026
Jan	2022	3.216

Be *FIRST* to get it *FIXED*!

