

American Defense Industries, Inc., grows and thrives in Grand Forks, ND

In the past ten years the way that defense products are manufactured has changed dramatically. On the cusp of those changes is American Defense Industries (ADI), a manufacturer of components, functional accessories and conversion kits for military vehicles of all types. ADI knows that it can incorporate the latest technology to produce the best products because it was formed around a group of professionals that has worked in this industry for over 20 years and found it to be "exciting and rewarding." According to ADI, "In the first full year of operation [it] was on target to complete approximately 100 individual defense contracts." A new facility and new equipment are making it possible for ADI to grow and thrive in Grand Forks. What made the new facility and equipment possible was a multi-faceted team effort.

Jon Ramsey of Assurity Finance & Development, John Marchell, Vice President, and Reggie Scholt, Assistant Vice President, of First State Bank worked closely with Timothy J Pribula, ADI CEO and President, to coordinate a 504 loan from Dakota CDC. "This financing allowed me to focus on buying the right equipment and building the proper sized building that will allow American Defense the opportunity to grow into the future." The new 36,000 square foot building means that ADI can now compete all stages of manufacturing with a wide range of operations.

Pribula and ADI believe in fostering relationships among its employees and with their customers and the community. "At American Defense Industries, relationships within the company and with our customers



Quality is the most important aspect of American Defense Industries. They have invested in the latest technology to assure customer expectations are met.

are the most important aspect of local business to complete any doing business." This commitment to community means that additional manufacturing services it needs. "The soldier in the field uses our products and it is important that they receive the best equipment possible." This attention to the customer and its keen eye for business mean that American Defense Industries is poised to succeed.



5 0 4 L O A N

Midway Lanes rolls a “Strike”

Mandan, ND



When Harry Semerads founded Midway Lanes in 1961 he couldn't have conceived that his 24 lanes would evolve into a 52 lane recreational outpost in 2005. Owned by Jim Mellon since 1966, Midway Lanes of Bismarck/Mandan has remodeled to meet the needs of the times every five to six years. However, its most recent expansion called for more than a few nips and tucks and thus required the kind of help that could only be provided by Dakota Certified Development Corporation.

“The challenges are endless,” remarks Mellon. “Forty years ago there were only show houses, billiards and bars to compete with. Now we compete with about 25 other recreational venues.” This fierce competition for the recreational dollar inspired Midway Lanes to tackle a renovation project far in excess of what it had undertaken in the past.

Mellon's vision was to create a total “family entertainment facility that provides wholesome, clean entertainment to people of all ages.” The realization of this facility required more than what a local financial institution could provide on its own. Together, Pete Jahner, Kirkwood Bank Vice President of Commercial Loans, Jim Laducer, Laducer and Associates, and Jeff Vye, DCDC Loan Officer were instrumental in bringing the project to fruition. Their guidance led Mellon to

Dakota Certified Development Corporation and SBA 504 financing. “We needed 504 financing to create the unique financial approach to put the expansion and renovation together,” remarks Mellon.

The flexibility of 504 financing allowed Midway Lanes to add lanes, which means a greater number of leagues and approximately 30% more bowling. In addition to the lanes, Mellon was also able to expand the bar and lounge area, add new signage and redefine the interior of the building. As a result, “It's a gathering place for all types of social functions.”



Midway Lanes offers a total family entertainment facility.

IRP & 504 LOAN

Adding Value to Agricultural products in Max, ND

Schereky Ag Service Inc. continues to be proactive in products and services.

“We started with one sprayer, a pickup and a trailer” recounts Bonnie Scheresky of Scheresky Ag Service. What began as a small business in Max, ND to provide a supplemental farm income has grown into a corporation that now includes a chemical warehouse, a storefront, a fertilizer plant and much more. “Currently we have three certified crop advisors and a staff agronomist, as well as two full-time custom applicators, a book-keeper and additional part-time help in the summer.” This kind of growth, since its inception in 1999, is remarkable, and can be partially attributed to Dakota Certified Development Corporation.

Schereky Ag Service credits its growth to competition. In order to compete in a competitive farm industry Scheresky Ag Service needed to do more than grow physically -- it needed to grow its services. “We felt we needed to offer fertilizer sales to our customers in order to be a well-rounded agronomy center.” The company also began to offer custom application and new products.

Challenges in the farm industry forced the company to grow and accommodate a changing farm landscape. Town & Country Credit Union’s Ag Loan Officer, Fred Buechler, was instrumental in structuring a project that allowed them to

take advantage of two Dakota CDC programs. Scheresky Ag Service, Inc. utilized both an IRP loan and a 504 loan from Dakota CDC. This dual financing allowed the company to purchase new equipment and machinery, as well as expand the business and buildings to better serve the community. According to Scheresky, “As an independently owned business, it can be difficult to

obtain affordable financing for large projects such as a fertilizer plant. Obtaining 504 financing allowed us to expand.”

Schereky Ag Service, Inc. has constructed not only new buildings, but new product lines and services as well. They have kept on top of the market and ahead of demand in Max, ND.



Schereky Ag adds value to their products through exceptional customer service. “Our employees work shoulder to shoulder with us, making our vision their own”.

USDA-Rural Development
Renewable Energy/Energy Efficiency Grants and Loans
And
Value-Added Producer Grants

The U. S. Department of Agriculture's Rural Development will make available \$11.5 million in grant funding and over 200 million in guaranteed loan funding for the Renewable Energy/Energy Efficiency program, and over \$19 million for the Value-Added Producer Grant Program for this fiscal year.

The Renewable Energy/Energy Efficiency program is designed for agricultural producers and rural small businesses to develop renewable energy systems and/or make energy efficiency improvements to their operation or business. Grants are based on the financial need of the applicant and can pay 25 percent of eligible project costs up to \$500,000 for a renewable energy system, and \$250,000 for an energy efficiency project.

The Value-Added Producer Grant is designed to help independent agricultural producers enter into value-added agricultural activities. Rural Development will be requesting proposals from eligible applicants interested in planning activities needed to establish a viable value-added marketing opportunity for an agricultural product or to acquire working capital to operate a value-added business that will allow producers to better compete in domestic and international markets.

Final details on how to apply for these funds will be published in the Federal Register, Notice of Funding Availability (NOFA) and Notice of Solicitation of Applications (NOSA) in December.

Additional information can be obtained from USDA Rural Development at <http://www.rurdev.usda.gov>, or by calling the office serving North Dakota at 1-800-582-7584 Ext. 2065, or by writing to USDA Rural Development, P.O. Box 1737, Bismarck, ND 58502-1737.



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Board of Directors

> **Jim Laducer**, Mandan
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> **Gerald Willer**, Bismarck
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 secretary/treasurer

> **Michael Connor**, Devils Lake

> **Gerald Fisher**, Dickinson

> **Marlowe Johnson**, Jamestown

> **Patsy Levang**, Keene

> **Jennifer Burnside**, Newsletter author

504 Loan Closings / July - Dec 2005

• Bismarck •

LSI, Inc.
 Dakota Community Bank

Zorells Jewelry, Inc.
 Dakota Community Bank

Alliance Real Estate, Inc.
 Bank Center First

Dale A. & Pamela J. Speckmann
 Dakota Community Bank

• Dickinson •

D & J Liquors, Inc.
 Kirkwood Bank & Trust Co.

• Park River •

Park River Implement L.L.C
 First United Bank

• Valley City •

Hair Therapy, LLC
 Wells Fargo Bank, N.A.

• West Fargo •

Attention to Detail Painting, Inc.
 State Bank & Trust

Tri-County Insurance & Leasing, Inc.
 State Bank & Trust

• Fargo •

James J. & Elaine B. Ebsen
 Ramsey National Bank & Trust Co.

• Oakes •

Leo's Super Value of Oakes, Inc.
 First State Bank of North Dakota

SBA 504 RATES

**10 Year Debenture Rate:
 6.595%**

**20 Year Debenture Rate:
 6.39%**