

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

- Applicant:** Healdton Municipal Authority, Carter County
- Application No.:** ORF-09-0008-DW  
Drinking Water State Revolving Fund Loan (“DWSRF Loan”) and  
American Recovery and Reinvestment Act (“ARRA Funds”)
- Funding Requested:** \$1,075,000.00 DWSRF Loan and ARRA Funds
- Loan Interest Rate:** The DWSRF Loan shall bear a fixed interest rate to be determined prior to loan closing plus an administrative fee of 0.5% per annum, all on the outstanding principal balance of the loan.
- Loan Payment Term:** Interest, administrative fee, and principal payments shall be made on a semi-annual basis. The Applicant shall commence principal repayment no later than one (1) year following Project completion, and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.
- Loan Security Position:** The DWSRF loan shall be secured with a lien on the revenues of the Applicant's water, sewer, cable, and internet systems, the proceeds of a 2.5 cent sales tax, and may include a mortgage on the Applicant's water and sewer systems and other real property.
- Allocation of Funds:** The loan funds shall be provided from the DWSRF and other funds, if any, shall be provided from the ARRA.
- Purpose:** The applicant will utilize the funding proceeds to: (i) replace and install approximately 2,640 feet of 2” water line, 21,980 feet of 4” water line, 2,200 feet of 6” water line; replace approximately 143 water meters; drill one test well; and drill one water well approximately 450 feet deep and (ii) pay related costs of issuance.