



Small Business Loan Program

Supported by the Economic Development Authority of Shenandoah County, Virginia and a Rural Business Enterprise Grant through USDA

600 North Main Street, Suite 101
Woodstock, Virginia, 22664
540-459-1822

The Small Business Loan Program is designed to fill the financing gap between private debt financing and private equity. Funds are provided by the Industrial Development Authority of Shenandoah County, Virginia (the "Authority") to create economic benefit through the creation of new small businesses or assistance to existing small businesses in Shenandoah County.

Eligibility

Eligibility requirements:

- Must be a U.S. citizen or permanent resident 18 years or older;
- The location of your business is or will be in Shenandoah County or one of the Towns within Shenandoah County;
- Must be a small business employing fewer than 50 employees and under \$1 million in annual net revenue;
- Be able to inject new cash equity into the project; and
- Provide a first lien on the assets purchased with the loan proceeds, however, a subordinate lien position will be considered, if required by the primary lender.

Loan Use

Loan funds can be used for:

1. Acquiring land and buildings
2. Leasehold improvements or expansions
3. Purchase and installation machinery
4. Equipment purchases
5. Technology infrastructure

Loan funds cannot be used to:

1. Subsidize a business that is able to obtain financing for the project at reasonable terms from conventional sources
2. Refinance or restructure a bank's existing debt
3. Compensate for fundamental business weakness as determined by the IDA
4. Provide for short-term working capital

Terms of Loan

Amount: Minimum \$5,000 Maximum \$50,000
Terms: Maximum 3-5 years
Interest Rate: Set by IDA depending upon current market conditions

DIRECTIONS FOR COMPLETING APPLICATIONS

- Please complete the application electronically or type so that it is legible.
- All co-signers must complete a separate personal financial statement.
- Attach a copy of your social security card and driver's license or two forms of ID when submitting the application. Please do not send originals of either your social security card or driver's license.
- Depending on your request, we may need additional information about your business or proposed business. Please make sure that you take time to submit the most current and accurate information about you, your business, or proposed business.
- Please make sure you complete **Parts A-D** on the application and sign it.
- You may include any additional information that will help us better understand your request.
- **A three to five year business projection and financial plan must be included with this application**
- **You must include business and personal tax returns for the previous three years.**

Please include a \$25 application fee.

Checks should be made payable to "Industrial Development Authority of Shenandoah County, Virginia".

NOTE: Any information and all attachments submitted become the property of the Authority and will not be returned. All information is held in strict confidence.

Criteria for Consideration:

The loan review committee will consider the following when reviewing your application:

1. **Business Plan:** Clearly identify your business idea and the items or services your business proposes to sell. The plan should also include your experience with these items or services and your business management history. Other elements of the plan should include marketing plans and projections of costs and revenues for at least the first year.
 2. **Collateral:** Please provide clear collateral for securing the loan (i.e. vehicles, business assets, equipment, machinery, and available personal assets). A co-signer may be required.
 3. **Equity:** Attach information regarding the forms of equity you will or have provided to your business. This can either be in the form of cash or in-kind contributions.
 4. **Credit History:** Your credit history will be reviewed as part of the application process.
- ❖ Each application is reviewed and considered on its individual merit. Please contact us directly if you have questions.

Small Business Loan Application

Part A: YOUR BUSINESS INFORMATION

Business Name _____

EIN # _____

Street Address _____

Mailing Address (if different from above) _____

Previous Address (if less than two years) _____

Contact Name _____

Telephone _____ Work telephone _____ E-Mail Address _____

Is this a new business? Yes No Date Started: _____

Organization Type: Sole Proprietorship Partnership LLC S Corp C Corp

Current Number of Employees: Full-Time _____ Part-Time _____

Current Annual Sales/Business Revenue _____

How many years at above address? _____

Part B: YOUR PERSONAL INFORMATION

Primary Applicant

Co-Applicant's Name (first, middle, last)
(if joint application) _____

Social Security # _____

Date of Birth _____

Street Address _____

Mailing Address (if different from above) _____

Previous Address (if less than two years) _____

Home Telephone _____ Work Telephone _____ E-Mail Address _____

County where you reside: _____ How many years at the above address? _____

PART C:

BUSINESS FINANCIAL STATEMENT AND SUPPORTING SCHEDULES

BALANCE SHEET (round to nearest \$)		PROFIT AND LOSS STATEMENT (round to nearest \$)	
DATE: _____		FROM	TO
ASSETS		INCOME STATEMENT	
CURRENT ASSETS		NET SALES	
Cash (Schedule A)		Less - Cost of Goods Sold	
Marketable Securities (Schedule B)		GROSS PROFIT	
Accounts Receivable - (Schedule C)		Less- Selling Expense	
Inventory (Schedule D)		General & Administrative Expense	
Other Current Assets - (itemize)		Officers Compensation	
TOTAL CURRENT ASSETS	\$	Interest Expense	
NONCURRENT ASSETS		Depreciation Expense	
Fixed Assets (Schedule E)		Provision for Bad Debts	
Investments- Other (Schedule D)		Other Expenses (Itemize)	
Due from Officers/Employees			
Deferred Receivables			
Deferred /Prepaid Expenses			
CSV - Life Insurance (Schedule F)			
Other Noncurrent Assets (Itemize)			
TOTAL NONCURRENT ASSETS	\$	NET OPERATING PROFIT	
TOTAL ASSETS	\$	PLUS - Other Income (itemize)	
LIABILITIES			
CURRENT LIABILITIES			
Notes Payable - Banks (Schedule A)			
Notes Payable - Trade (Itemize)			
Accounts Payable - Trade			
Accounts Payable - Other			
Due to Officers/Employees			
Taxes- Income/Other			
Accrued Expenses			
Current Portion Long Term Dept (due within 1 year)			
Other Current Liabilities (Itemize)		Less- Federal/State Taxes	
TOTAL CURRENT LIABILITIES	\$	NET PROFIT	\$
NONCURRENT LIABILITIES		RECONCILIATION OF RETAINED EARNINGS	\$
Notes Payable - Long Term		Retained Earnings - Beginning	
Mortgage Payable - Long Term		Add- Net Profit	
Other Noncurrent Liabilities (itemize)		Less Net Loss	
TOTAL NONCURRENT LIABILITIES	\$	Less- Dividends/Withdrawals	
TOTAL LIABILITIES	\$	Adjustments	
		Retained Earnings - Ending	\$
Preferred Stock		CONTINGENT LIABILITIES	
Common Stock		Are any assets pledged other than those shown as pledged in the schedules on the following page? If yes, itemize:	
Paid-in Surplus		_____	
Retained Earnings		_____	
NET WORTH	\$	Are any liabilities secured other than those shown as secured in the schedules on the following page? If yes, itemize:	
TOTAL LIABILITIES AND NET WORTH	\$	_____	

PERSONAL FINANCIAL STATEMENT (continued)

Schedule A- Cash and Investments

Type of Account	Name of Bank or Broker	In Name Of	Are These Pledged	Current Balance

Schedule B- U.S. Government & Marketable Securities

Number of Shares	Description	In Name Of	Are These Pledged	Date of Value	Value

Schedule C- Real Estate Owned

1 Address of Property	2 Property Description Type: Commercial(C), Residential(R), Ag. (A) Use: Office, Warehouse, Home, Lot Size: Square Footage			3 Cost	4 Date Acquired	5 Current Market Value
	Type	Use	Size			
1						
2						
3						
4						
6 Name of Lender	7 Title In Name Of	8 Mortgage Balance	9 Monthly Payment	10 Monthly Rental Income	11 Ownershi p	
1						
2						
3						
4						

Schedule D- Life Insurance Carried, Including Whole Life and Group Life Insurance

Name of Insurance Company	Owner of Policy	Beneficiary	Face Amount	Policy Loans	Cash Surrender Value

Schedule E- Banks or Finance Companies Where Credit Has Been Obtained

Name of Lender	Collateral Description	Type (Line of Credit, Term Loan)	Maximum Line Amonut	Monthly Payment	Current Balance	Maturity

Each of the undersigned hereby instructs, consents and authorizes the Shenandoah County Industrial Development Authority (Lender), or any affiliate, subsidiary or other entity related thereto ("Lender") to obtain a consumer credit report and any other information relating to their individual credit status in the following circumstances: (a) relating to the opening of an account or upon application for a loan or other product or service offered bt Lender by a commecial entity of which the undersigned is a principal, member, or guarantor or other party, (b) thereafter, periodically according to the Lender's credit review and audit procedures, and (c) relating to Lender's review or cotelction of a loan account, or other Lender product or service made or extended to a commercial entity of which the undersigned is a princial, member, guarantor or other party.

Each of the undersigned certify that everything state on this Personal Financial Statement and any other documents or information submitted in connection with this Personal Financial Statement is true, accurate and complete. Each of the undersigned understand that Lender will retain this Personal Financial Statement. Each of the undersigned hereby authorize Lender to verify at any time any information submitted to Lender by or on behalf of the udnsigned, obtain further information concerning the credit standing of the undersigned, including without limitation, credit and employment history, and exchange credit information concerning the undersigned with other individuals or entities, without limitation, any affiliate, subsidiary or other entity related to Bank. Each of the undersigned authorize Lender to consider this Personal Financial Statement as a continuing statement of financial condition until replaced by a new Personal Financial Statement or until the undersigned specifically notified Lender in writing of any changes in such financial condition.

This Personal Financial Statement, including the consent to obtain consumer credit report contained above is executed by the undersigned on the date(s) below.

Customer Signature (Applicant)	Signature (Co-applicant)
Printed Name	Printed Name
Date Signed	Date Signed

7. Is your business a: Start up _____ Currently operating since _____
(Date: mm/yy)

8. What type of business: (please check all that apply)
_____ Retail _____ Wholesale _____ Construction _____ Manufacturing
_____ Service

8. Please list any state and/or federal licenses your business is required to have in order to operate:

9. Is a local license required? _____ Yes _____ No. If yes, do you have this license?
_____ Yes _____ No

10. Will this business operate _____ full-time _____ part-time _____ seasonal

11. Not including yourself, this business expects to employ: _____ full-time employees;
_____ part-time employees

10. What are the average numbers of hours per week you plan to work or are working in this business? _____

11. Why did you choose this business?

12. How many years experience do you have in this type of business? _____ years

13. The IDA strongly encourages businesses to purchase goods and services through other local businesses. Do you plan to purchase any of your new equipment, supplies, or use other business related services financed with your IDA loan through local vendors? Yes
No

If yes, please describe:

14. Other information you would like the IDA to know about your business:

PART E: LOAN REQUEST INFORMATION

Loan Amount Requested: _____

Term Requested: 1 year 2 years 3 years 4 years 5 years

How much money will you provide from you own funds? _____

Have you secured or do you anticipate securing any additional loan funds to supplement this application?

Yes No

If so, please list additional loans and funding sources.

Describe existing business assets:

PART F: HOW WILL YOU USE THE LOAN FUNDS?

Describe the purpose of the loan. How will you use the loan proceeds?

Describe the assets to be purchased with loan proceeds:

Amount	Amount	Specific listing of item planned for purchase (if necessary, attach additional sheets)
Working Capital	\$ _____	_____
Inventory	_____	_____
Equipment	_____	_____
Property Improvements	_____	_____
Other List:	_____	_____

TOTAL LOAN REQUEST \$ _____

PART G: INCOME AND DEMOGRAPHIC VERIFICATION

Please check any boxes that apply to you:

- | | |
|--|--|
| <input type="checkbox"/> Male | <input type="checkbox"/> Black or African-American |
| <input type="checkbox"/> Female | <input type="checkbox"/> American Indian/Alaskan Native |
| <input type="checkbox"/> Single Parent (at least one child under 19) | <input type="checkbox"/> Asian |
| <input type="checkbox"/> Person with Disability | <input type="checkbox"/> Native Hawaiian/Pacific Islander |
| <input type="checkbox"/> Veteran | <input type="checkbox"/> American Indian/Alaskan Native |
| <input type="checkbox"/> and White | |
| <input type="checkbox"/> Non-US Citizen | <input type="checkbox"/> American Indian/Alaskan Native |
| <input type="checkbox"/> and Black | |
| <input type="checkbox"/> Hispanic/Latino | <input type="checkbox"/> Asian and White |
| <input type="checkbox"/> White | <input type="checkbox"/> Black or African American and White |
| | <input type="checkbox"/> Other (more than one race) |

Number of persons in your household: _____

Total Household Income Level (check the box that applies)

Total household income is defined as income of all household members over the age of 17 received from all sources, such as wages, salaries, interest income, investment income, social security, public assistance, or other sources.)

- | | |
|---|--|
| <input type="checkbox"/> Less than \$30,000 | <input type="checkbox"/> \$75,001-\$90,000 |
| <input type="checkbox"/> \$30,001-\$45,000 | <input type="checkbox"/> \$90,001- \$105,000 |
| <input type="checkbox"/> \$45,001- \$60,000 | <input type="checkbox"/> \$105,001-\$120,000 |
| <input type="checkbox"/> \$60,001- \$75,000 | <input type="checkbox"/> Over \$120,001 |

CERTIFICATION STATEMENT

The undersigned hereby authorizes the Authority or any of its agents to make all inquiries with credit bureaus and others it deems necessary to verify the accuracy of the information provided herein, and to determine credit-worthiness. Further, the undersigned hereby certifies to the best of their knowledge that the enclosed application information including all attachments, exhibits, schedules, and supporting documents are valid, accurate, correct, and complete as of the stated date(s). These statements are made for the purpose of obtaining a loan. False statements may result in forfeiture of benefits. The undersigned hereby further certifies that the proceeds of any loan made as a result of this application will be used for business purposes only, and will not be used to pay current debt, general fees related to the preparation of this document, personal or consumer purposes.

Notice: *The Authority is an organization receiving financial support from state and federal agencies and may be required to document and share client information with public and non-*

profit agencies as a condition of program funding. Such information will be treated as confidential and shared only to the extent required for program compliance and compliance with the law. The Authority is subject to and may be required to disclose information to other entities or individuals under the Virginia Freedom of Information Act.

APPLICANT:

CO-APPLICANT:

Name (print) _____

Name (print) _____

Signature _____

Signature _____

Date _____

Date _____

DOCUMENTATION CHECK LIST

In addition to this application, please submit the following:

With Every Application:

- \$25 Application Fee
- Complete business plan with cash flow projections (may be waived for existing businesses)

For Existing Businesses Only:

- Copy of federal tax returns (3 years)
- Income statement and balance sheet for 3 years including year to date
- Copy of any bankruptcy discharge order during the past 7 years (if applicable)

One Per Owner (any individual obtaining at least 20% ownership in business):

- Personal financial statement
- Copy of any bankruptcy discharge order during the past 7 years (if applicable)
- Recent copy of personal credit report (if available)
- Copy of personal tax returns (3 years) may be requested
- Copy of driver's license or other form of ID

If your loan is approved, additional documents will be required before closing.