

Small Business Loan Program

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

600 North Main Street, Suite 101
Woodstock, Virginia, 22664
540-459-6227

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 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
6. Permanent working capital (some restrictions)

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 \$20,000.00 Maximum \$99,000.00
Terms: Maximum 7 years
Interest Rate: Determined by the Market

DIRECTIONS FOR COMPLETING APPLICATIONS

Please complete the application electronically or type so that it is legible. The application must be completed in its entirety before it will be considered. 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; as well as, business and personal tax returns for the previous two years.**

Please include a \$50 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 # _____

DUNS # _____

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: YOUR PERSONAL FINANCIAL STATEMENT (Please complete a separate sheet for all owners. An "owner" is considered any individual obtaining at least 20% ownership in the business.)

Please provide us with information about your current financial condition. If more space is needed, please attach additional sheets.

This personal financial statement accurately reflects my financial situation as of _____ (date).

ASSETS What You Own		LIABILITIES What You Owe	
	Amount		Balance Owed
Cash	\$ _____	Loans from Lending Institutions	\$ _____
Cash in Checking Account(s) List the Financial Institution(s)	\$ _____ \$ _____		\$ _____
		Friends	\$ _____
		Others	\$ _____
Cash in Checking Account(s) List the Financial Institution(s)	\$ _____ \$ _____	Credit Card Balance	
		Company Name	\$ _____
		Company Name	\$ _____
		Company Name	\$ _____
Securities, Stocks and Bonds	\$ _____	Vehicle Loans – List:	
Retirement Plan (IRA, 401K, 402B)	\$ _____	Company Name (1)	\$ _____
Automobile(s)-(present value) Year Make Model	\$ _____ \$ _____ \$ _____	Company Name (2)	\$ _____
		Company Name (3)	\$ _____
Personal Property (Value)	\$ _____	Mortgages on Real Estate	\$ _____
Real Estate (Value) (List Address)	\$ _____	List Mortgage Holder(s)	\$ _____
Other Assets (List):	\$ _____		
TOTAL	\$ _____	TOTAL	\$ _____

Have you ever declared bankruptcy or had any judgments recorded against you? _____ Yes _____ No. If yes, explain the circumstances.

Do you owe any delinquent taxes? _____ Yes _____ No
If yes, please list the type of taxes you owe and the amount.

Are you a co-signer on any loan(s)? If yes, please list and provide details.

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 6 years 7 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 and White |
| <input type="checkbox"/> Non-US Citizen | <input type="checkbox"/> American Indian/Alaskan Native 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:

- \$50 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.