

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

Thank you for your interest in the Alleghany Highlands Economic Development Corporation Revolving Loan Fund (AHEDC/RLF).

The loan fund has been established by a grant from the USDA Rural Development and is designed to assist small businesses in the Alleghany Highlands. The fund is administered by a committee compiled of members of the AHEDC and area business owners.

The recipients of an AHEDC loan will seek and receive technical assistance from the AHEDC prior to submission of a loan application. Upon recommendation for review by the AHEDC, the loan application will be reviewed by the loan committee. As a condition of approved loan application, the business owner will agree to continue to meet with the AHEDC for a 12 month period to review the financials of the business.

You may apply for a loan not to exceed \$10,000, for a maximum Term of 3 years. The interest rate is Prime less .25%. Repayment is made monthly based on a straight amortization schedule.

To apply, complete the application from which follows, print, sign, and mail with all required documentations to:

**Alleghany Highlands Economic Development Corporation
Revolving Loan Fund Committee
9212 Winterberry Avenue
Covington, VA 24426**

After we have received all of your information, the AHEDC/RLF will review your application within 30 days. We require an interview.

Each application is reviewed individually and is scored on a number of factors including business plan, collateral, equity, and credit history.

Please contact Terri McClung at 540.862.0936 or via email at terri@ahedc.com with any questions about the application process or status.

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

APPLICATION CHECKLIST/REQUIRED DOCUMENTS

All Applications

- **\$50.00 Application Fee (payable to AHEDC)**
- **Loan Application**
- **Personal Financial Information (Complete these forms for: (1) each proprietor, (2) each limited partner who owns 20% or more interest and each general partner, (3) each stockholder owning 20% or more of voting stock, or general partner, or (4) any other person or entity providing a guaranty on the loan.), (5) Each individual is expected to personally guarantee**
 - **Personal Financial Statement**
 - **Copy of any bankruptcy discharge order during the past seven years (if applicable)**
 - **Recent copy of personal credit report (Free reports are available for download at www.annualcreditreport.com.)**
 - **Authorization for release of information**
 - **Copy of personal tax returns (three years)**
 - **Copy of driver's license or other form of Government issued ID**
- **Business Plan: Please contact Marla Akridge at 540.862.0936**
- **Cash Flow Projection: Please contact Terri McClung at 540.862.0936**

Existing Businesses

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

If your loan is approved, additional documents may be required at closing.

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

AUTHORIZATION FOR THE RELEASE OF INFORMATION

TO WHOM IT MAY CONCERN:

In connection with a loan application that I/we have made through the Alleghany Highlands Economic Development Corporation, Revolving Loan Fund (RLF), I hereby authorize you to release any information requested by the RLF Loan Review Committee. Such information may include, but may not necessarily be limited to, credit histories and balances, loan/obligation payment histories and balances, employment and income verification, and account deposit histories and balances.

A photocopy of this authorization may be deemed to be the equivalent of the original and may be used as a duplicate original. Your prompt reply will expedite this transaction. Thank you.

Signature:	Social Security Number:
Type or Print Name:	Date:

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

PERSONAL FINANCIAL STATEMENT

As of _____ (Date)

Complete this form for: (1) each proprietor, (2) each limited partner who owns 20% or more interest and each general partner, (3) each stockholder owning 20% or more of voting stock, or (4) any other person or entity providing a guaranty on the loan.

Name:		Residence Phone:	
Residence Street Address:		City/State/Zip:	
Business Name:		Business Phone:	
		Mobile Phone:	
ASSETS		LIABILITY	
Cash on hand & in banks	\$	Accounts Payable	\$
Savings Account	\$	Notes Payable to Bank & Others (Complete Section 2)	\$
IRA or Other Retirement Accounts	\$	Auto Loans	\$
Account & Notes Receivable	\$	Auto Loan Monthly Payments	\$
Life Insurance – Cash Surrender Value Only (Complete Section 8)	\$	Loan or Life Insurance	\$
Stocks & Bonds (Complete Section 3)	\$	Mortgages on Real Estate (Complete Section 4)	\$
Real Estate (Complete Section 4)	\$	Unpaid Taxes (Complete Section 6)	\$
Automobile (Present Value)	\$	Other Liabilities (Complete Section 7)	\$
Other Personal Property (Complete Section 5)	\$		
Other Assets (Complete Section 5)			
Total Assets	\$		\$
		Net Worth	\$
		Total Liabilities and Net Worth	\$

Revolving Loan Program

PROJECT SUMMARY

- A. Explain the purpose of this loan or a brief narrative description of the project:

If relocating, state reason for change of new location:

B. Buildings:

Property Size (Acres): _____

Building(s) Size (Sq. Ft.): _____

- (1) If property owner, list current tenants (including amount of space rented), proposed tenants and lease terms:

- (2) If property tenant, list building owners(s), owner's address and lease terms (include copy of lease):

- (3) Does the project involve the acquisition of existing building(s) or land?

If YES, has site control been established? YES: _____ NO: _____

If Yes, what type of site control has been established

_____ option to purchase _____ lease _____ purchase

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

(4) Does the project consist of additions or renovations to existing buildings?

YES: _____ NO: _____

If YES, please summarize the nature of the improvements:

(5) Has any construction, rehabilitation or renovation activity occurred to date which is included in the total project cost? YES: _____ NO: _____

If YES, please state the extent and cost of the activity undertaken and what percent it represent of the total work to be done:

C. Zoning and Infrastructure:

(1) The proposed use of the project meets all governmental zoning and subdivision regulations? YES: _____ NO: _____ **If NO please explain:**

(2) There is adequate capacity for the utilities, sewage and drainage available for the building? YES: _____ NO: _____ **If NO please explain:**

(3) There is adequate off-street parking to meet the needs of the business? YES: _____ NO: _____ **If NO please explain:**

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Revolving Loan Program

Section 1

Source of Income		Contingent Liabilities	
Salary	\$	As Endorser of Co-Maker	\$
Net Investment Income	\$	Legal Claims & Judgments	\$
Real Estate Income	\$	Provisions for Federal Income Tax	\$
Other Income*	\$	Other Special Debt	\$
*Description of other income			

Section 2: Notes payable to Bank and Others – use attachments if necessary. Each attachment must be identified as part of this statement and signed.

Name & Address of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (Monthly, etc.)	How Secured or Endorsed (Type of Collateral)
	\$	\$	\$		
	\$	\$	\$		
	\$	\$	\$		
	\$	\$	\$		
	\$	\$	\$		
	\$	\$	\$		

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

Section 3: Stocks and Bonds – use attachments if necessary. Each attachment must be identified as part of this statement and signed.

# of Shares	Names of Securities	Cost	Market Value	Total Value

Section 4: Real Estate Owned – use attachments if necessary. Each attachment must be identified as part of this statement and signed.

	Property A	Property B	Property C
Type of Property			
Name of Title Holder & Name of Property			
Date Purchased			
Original Cost			
Present Market Value			
Name & Address of Mortgage Holder			
Mortgage Account #			
Mortgage Balance			
Amount of Payment per Month/Year			
Status of Mortgage			

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

Section 5: Other Personal Property and Other Assets. Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment, and if delinquent, describe delinquency.

1	
2	
3	
4	
5	

Section 6: Unpaid Taxes. Describe, in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.

1	
2	
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Section 7: Other Liabilities.

1	
2	
3	
4	
5	

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

Section 8: Life Insurance Held. Give face amount and cash surrender value of policies, name of insurance company, and beneficiaries.

1	
2	
3	
4	
5	

Section 9: Employers Information. Please complete the following for your employment in the last 7 years or attach resume.

Current Employer:	Address:
Salary:	Job Title:
Starting Date:	Ending Date:
Supervisor's Name:	Phone:
Duties:	

Employer:	Address:
Salary:	Job Title:
Starting Date:	Ending Date:
Supervisor's Name:	Phone:
Duties:	

Employer:	Address:
Salary:	Job Title:
Starting Date:	Ending Date:
Supervisor's Name:	Phone:
Duties:	

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

I authorize Alleghany Highlands Economic Development Corporation Revolving Loan Fund Review Committee to make inquiries as necessary to verify the accuracy of the statements made and to determine my credit worthiness. I certify the above and the statements contained in the attachments are true and accurate as of the state date(s). These statements are made for the purpose of obtaining a loan. I understand FALSE statements may result in the forfeiture of benefits.

Signature:	Date:	Social Security Number:
Signature:	Date:	Social Security Number:

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

LOAN APPLICATION

COMPANY INFORMATION		
Business Name	Phone	
Fax	Email	
Address		
Mailing Address if different		
EIN Number	DUNS Number	
Date Business Established	Current Owner Since	
No. of Locations	No. of Employees	
Entity Type: <input type="checkbox"/> Sole <input type="checkbox"/> Proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability		
Is the business a party to a lawsuit <input type="checkbox"/> No <input type="checkbox"/> Yes – If yes, please attach an additional page explaining the circumstance of the lawsuit.		
Has the business ever filed bankruptcy? <input type="checkbox"/> No <input type="checkbox"/> Yes – If yes, please attach an additional page explaining circumstances of the bankruptcy.		
OWNERSHIP		
Owner Name	Title	%Owned
THE PROJECT		
Please provide a written description of the project and need for funding.		
ABOUT YOUR PRODUCTS		
Describe your products / services		

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

How are your products sold? <input type="checkbox"/> Walk-in <input type="checkbox"/> Internal Sales <input type="checkbox"/> Force <input type="checkbox"/> Direct Mail <input type="checkbox"/> Telemarketing <input type="checkbox"/> Representative / distributor <input type="checkbox"/> Other					
ABOUT YOUR INDUSTRY					
List three of your major competitors					
1					
2					
3					
On what basis do you compete?					
<input type="checkbox"/> Price <input type="checkbox"/> Location <input type="checkbox"/> Service <input type="checkbox"/> Major <input type="checkbox"/> Brands <input type="checkbox"/> Products <input type="checkbox"/> Other					
If other, please describe:					
ABOUT YOUR SALES					
What are your projected sales this year?			How many customers do you have?		
Does any customer represent more than 10% of your total sales? <input type="checkbox"/> No <input type="checkbox"/> Yes – detail below					
Customer			% Sales		
Has your business been profitable? <input type="checkbox"/> No <input type="checkbox"/> Yes – detail below					
Are your sales seasonal? <input type="checkbox"/> No <input type="checkbox"/> Yes – detail below					
What percent of sales is cash / credit?		Cash		Credit	
Describe your experience in managing a business and / or producing your product or service					

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

Other information that would be beneficial in review your application			
LOAN REQUEST			
Loan Amount Requested \$		(Maximum \$15,000)	
Term Requested <input type="checkbox"/> 1 Year <input type="checkbox"/> 2 Years <input type="checkbox"/> 3 Years			
What is the purpose of the loan?			
TOTAL PROJECT COSTS		SOURCES OF FUNDING	
Working Capital		Borrower Funds	
Equipment		Private Party Financing	
Inventory		Bank Financing	
Business Purchase		AHEDC RLF Loan	
Real Estate Purchase			
Construction			
Refinance Debt			
Total Project Cost		Total Funding	
Total project cost must equal total funding.			
New Jobs created with this project			
New Jobs	YEAR 1:	YEAR 2:	YEAR 3:
BUSINESS INDEBTENESS			

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

List all business debts below. Indicate items to be refinanced with this loan. If necessary, attach additional pages.

Creditor	Original Amount	Original Date	Present Balance	Interest Rate	Maturity Date	Monthly Payment	Collateral	Current or Past Due	Refinance Y/N

ALLEGHANY HIGHLANDS ECONOMIC DEVELOPMENT CORPORATION

Revolving Loan Program

The signer(s) certifies that he/she is authorized to execute this Application for the business named above, and that all information and documents submitted, including federal income tax returns, are true, correct and complete. The signer(s) authorizes the Alleghany Highlands Economic Development Corporation Revolving Loan Fund Review Committee to obtain consumer and/or business reports, including inquiries to the Internal Revenue Service or the Franchise Tax Board, in their names as individuals at any time. The signer(s) further agrees to notify the Alleghany Highlands Economic Development Corporation Loan Review Committee promptly of any material change in any such information.

Signer:	Title:	Date:
Signer:	Title:	Date:

To the best of my (our) knowledge, the above information is accurate, true and correct. I (We) understand that any false or misleading information I (We) provide may lead to my (our) disqualification from this program. I (We) authorize the lending agency and others on its behalf to gather, collect and verify any and all information about me (us) furnished in connection with this application or which it believes is advisable and which relates to this application and loan. The information that may be verified includes, but is not limited to, the following: employment, pensions, mortgages, deposits, and any other income; personal or business loans; hazard insurance; and further, to obtain a credit report. If this application is approved, I (we) will be obligated by the promissory note I (we) will sign and the lending agency will give me (us). This application remains the lending agency's property, whether or not this application is approved.

Applicant's Signature

Co- Applicant's Signature

Applicant's Name/Title

Co- Applicant's Name/Title

Date

Date