

“5 AND 10” SMALL BUSINESS LOAN FUND
ECONOMIC DEVELOPMENT AUTHORITY OF FLOYD COUNTY, VIRGINIA
REQUEST FOR LOAN

APPLICATION CHECKLIST

- 8-page Application completed, plus Credit Report for each applicant
(free at www.annualcreditreport.com, score not needed)

- Business Plan
Include basic info on the company: history, main customers and suppliers, future plans, project description, proposed use of funds, type and number of jobs, and marketing strategy (for existing business, can use provided summary Business Plan. If new business, more required.

- Copy of Balance Sheet and 2 years of Profit & Loss Statement (existing businesses only)
For start-ups, a basic pro-forma of expected revenue and expenses is needed. Free online assistance is available at score.org, and through Small Business Development Centers in Roanoke.

- 2 years Federal Tax Forms completed (business & personal)

- FORM FC-A Proof that: located in Floyd County; that business is privately owned, employing fewer than 50; that 51% or more ownership is US citizen/s or legal resident; that equity interest in business

- Proof of collateral (Provide Real estate deed or description; Provide VIN and/or Serial Numbers of all vehicles and equipment and photos; attach to completed application.) Real estate appraisal may be needed if multiple lenders. Phase 1 Environmental may be needed if property used for other business previously.

If you have any questions, including needing referral for business plan assistance, please call 540 745-9352 and speak with Lydeana Martin (lmartin@floydcova.gov) or Tabitha Hodge (thodge@floydcova.gov) or drop off at the Floyd County Administration Office
202 E Main St
(upper floor Skyline Bank Building)
Floyd, VA 24091

Staff: (if direct Rural Development funds)
Upon Loan Approval, the following are required before loan disbursement:
 RD 1940-20 Request for Environmental Info
 Form AD-1048 Debarment Form
 Form RD-400-4 Assurance Agreement

Submit one original copy of this application to: Economic Development Authority of Floyd County, Virginia, P.O. Box 218, Floyd, Virginia 24091 or in person at 202 East Main St., Upper Floor. To be considered that month, the loan application must be received in EDA's office no later than the 3rd Monday of the month (EDA meets on the 4th Monday.) For questions concerning this application, form or EDA's financing program, call (540) 745-9352.

This institution is an equal opportunity provider.

2026 General Loan Information

For 2026, the annual interest rate* will be:

- 2.7% for a 5-year term,
- 3.7% for a 7-year term
- 4.7% for a 10-year term.

Staff will make a recommendation to the Loan Committee, and the Loan Committee will make a final recommendation to the EDA to determine the length and rate of the loan based on the loan amount and the collateral provided.

For real estate or major equipment, we can do 10-year loans. This is to tie length of loan to depreciation of collateral.

*Interest rates are subject to change each year as they are based on calendar year US Consumer Price Index (U).

What Counts as a Job?

For EDA purposes, full-time jobs are equivalent to 30 hours/week and part-time equivalent is 15 hours/week; a combination of part-time worker hours can count as part-time or full-time accordingly. One business owner can count as an employee regardless of employment status.

Generally, the maximum loan amount is based on the number of current full-time employee equivalents and what is proposed within 3 years. For current employees, this is limited to \$11,250 per full-time employee and \$5,625 per half-time employee. For proposed or expected employees within 3 years, the business can also be pre-approved for up to \$11,250 per additional full-time employee or \$5,625 per part-time employees, to be released only after they have hired and retained them for at least one month.

Additional Jobs and Interest Rates

If a business receives conditional approval for an additional loan amount, and money is released after the business hired and retained another employee for one month, the EDA will require check-ins at a 6-month and 12-month to follow up to make sure they are still at the higher jobs total. The business will send a copy of the VEC Form FC-20 and FC-21, which is already required to be filed with the Virginia Employment Commission. If the company has not retained the total number of jobs at either the 6 or 12-month mark, the interest rate on the conditional part of the loan will go up by 1% (e.g. from 4.7% to 5.7%) until that position is filled again.

Collateral

Real estate, vehicles, and equipment may be used as collateral. If someone other than the applicant is the owner or co-owner of the property, they must sign a document agreeing that the property may be used as collateral.

Please give the estimated value of the collateral, and the rationale for that value (e.g. blue book value, assessed value, etc.).

We will need collateral worth at least 130% of the loan amount due to the collateral depreciating faster than the loan being paid down. In the case of a “two-step” loan, with an approved immediate amount and pre-approved additional amount with proposed employees, the only collateral required up front is for the immediate amount, but before an additional pre-approved amount is released, the corresponding additional collateral must be provided.

If there is already a lien on the collateral and the EDA is asked to take second position, then you may need a formal appraisal to determine whether the value is enough to cover both. For real estate or major equipment, we can do 10-year loans.

Date: _____

“5 AND 10” SMALL BUSINESS LOAN FUND
 ECONOMIC DEVELOPMENT AUTHORITY OF FLOYD COUNTY, VIRGINIA
 REQUEST FOR LOAN

SECTION I: GENERAL INFORMATION

Name of All Business Owners: _____ Business Name: _____

Business UEI # (optional): _____ Business Phone Number: _____

Business Address: _____ Business Entity Type: LLC S-Corp C-Corp B-Corp
 Partnership Sole Proprietorship

SECTION II: OWNER/APPLICANT INFORMATION (IF MORE THAN 2, ATTACH SEPARATE SHEET)

Owner/Primary Applicant Information	Co-Applicant Information (If Applicable)
_____ Primary Applicant Name (first, middle, last)	_____ Co-Applicant Name (first, middle, last)
Social Security # _____ Date of Birth _____	Social Security # _____ Date of Birth _____
_____ Physical/Street Address	_____ Physical/Street Address
City _____ State _____ Zip _____	City _____ State _____ Zip _____
Phone _____ Home _____ Cell _____	Phone _____ Home _____ Cell _____
_____ Email Address	_____ Email Address

SECTION III: LOAN INFORMATION

Current Number of Full Time* Employee (FTE) Positions _____ Proposed FTE's within 3 years _____

*Full-time Jobs are 30 hours or more per week; Part-time Jobs are 15 hours or more per week. 2 Part-time=1 FTE. One business owner can count as an employee regardless of employment status.

Current Loan Amount Requested: _____ (Up to \$11,250 per existing job) Pre-approved Future Loan amount requested: _____ (up to \$11,250 per job) Max value of loan requested is a total of \$45,000.

In addition, would you also want to finance the closing costs and ½% origination fee __ Yes OR __ NO

Requested Loan Term Preference:

- 5 years
- 7 years
- 10 years

The final loan term will be determined by the Floyd 5 & 10 Loan Committee based on the proposed use of funds, useful life/depreciation cycle of the asset(s), collateral, job impact, and overall project review. Equipment-related loans will generally be considered for 5- or 7-year terms unless otherwise approved by the Committee.

Purpose (provide a description of what the loan will be used for, note generally cannot be used to repay current debt) _____

Description of Collateral: _____

Who owns the collateral? _____

SECTION IV:

A. FINANCIAL SUMMARY OF BUSINESS (OR ATTACH BALANCE SHEET)—EXISTING BUSINESSES ONLY

ASSETS

Cash on Hand and in Banks \$ _____
 Savings Accounts \$ _____
 Stocks and Bonds \$ _____
 Real Estate \$ _____
 Automobile – Present Value \$ _____
 Personal Property \$ _____
 Other Assets \$ _____
TOTAL ASSETS \$ _____

LIABILITIES

Loan Balance/s: Real Estate & Buildings \$ _____
 Loan Balance/s: Equipment and Vehicles \$ _____
 Credit Card Debt/s Balance \$ _____
 Other Loans or Debt: _____ \$ _____
TOTAL LIABILITIES \$ _____

INCOME

Yearly Salary \$ _____
 Other Income \$ _____
TOTAL INCOME \$ _____

NET WORTH (TOTAL ASSETS – TOTAL LIABILITIES)

Net Worth \$ _____

B. FINANCIAL SUMMARY (PERSONAL) _____

ASSETS

Cash on Hand and in Banks \$ _____
Savings Accounts \$ _____
Stocks and Bonds \$ _____
Real Estate \$ _____
Automobile – Present Value \$ _____

Other Assets \$ _____
TOTAL ASSETS \$ _____

INCOME

Yearly Salary \$ _____
Other Income \$ _____
TOTAL INCOME \$ _____

LIABILITIES (LOAN BALANCE & MONTHLY PAYMENTS)

Home Loan/s \$ _____
Other Real Estate Loan/s: \$ _____
Auto Loan/s: \$ _____
Credit Card or Other Loan/s \$ _____
TOTAL LIABILITIES \$ _____

NET WORTH (TOTAL ASSETS – TOTAL LIABILITIES)

Net Worth \$ _____

C. FINANCIAL SUMMARY (PERSONAL, IF SECOND PERSON) _____

ASSETS

LIABILITIES (LOAN BALANCE & MONTHLY PAYMENTS)

Cash on Hand and in Banks \$ _____
 Savings Accounts \$ _____
 Stocks and Bonds \$ _____
 Real Estate \$ _____
 Automobile – Present Value \$ _____
 Other Assets \$ _____
TOTAL ASSETS \$ _____

Home Loan/s \$ _____
 Other Real Estate Loan/s: \$ _____
 Auto Loan/s: \$ _____
 Credit Card or Other Loan/s \$ _____
TOTAL LIABILITIES \$ _____

NET WORTH (TOTAL ASSETS – TOTAL LIABILITIES)
 Net Worth \$ _____

INCOME

Yearly Salary \$ _____
 Other Income \$ _____

D. FINANCIAL SUMMARY (PERSONAL, IF THIRD PERSON) _____

ASSETS

LIABILITIES (LOAN BALANCE & MONTHLY PAYMENTS)

Cash on Hand and in Banks \$ _____
 Savings Accounts \$ _____
 Stocks and Bonds \$ _____
 Real Estate \$ _____
 Automobile – Present Value \$ _____
 Other Assets \$ _____
TOTAL ASSETS \$ _____

Home Loan/s \$ _____
 Other Real Estate Loan/s: \$ _____
 Auto Loan/s: \$ _____
 Credit Card or Other Loan/s \$ _____
TOTAL LIABILITIES \$ _____

NET WORTH (TOTAL ASSETS – TOTAL LIABILITIES)
 Net Worth \$ _____

INCOME

Yearly Salary \$ _____
 Other Income \$ _____

SECTION V: CREDIT REPORT AUTHORIZATION

Applicant may provide a credit report from one of the three major credit agencies from within the last six months, or authorize the EDA to obtain one. It is free for the applicant to obtain the report (score is NOT needed) via www.annualcreditreport.com.

SECTION VI: CIVIL RIGHTS AND EQUAL OPPORTUNITY

The following information is requested by the Federal Government in order to monitor the Recipient's compliance with Section 504 of the Rehabilitation Act of 1973, The Americans with Disabilities Act of 1990, Title VI of the Civil Rights Act of 1964, and the Age Discrimination Act of 1975.

You are not required to furnish this information but are encouraged to do so.

The law requires that the Recipient may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However, if you choose not to furnish it, under Federal regulations the Recipient is required to note race and sex on the basis of visual observation or surname.

If you do not wish to furnish the following information, please check the box below.

Applicant

Ethnicity:

- White
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- Hispanic or Latino
- Not Hispanic or Latino
- I do not wish to furnish this information

Sex

- Male Female

Co – Applicant

Ethnicity:

- White
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- Hispanic or Latino
- Not Hispanic or Latino
- I do not wish to furnish this information

Sex

- Male Female

Credit or assistance from this program is provided without regard to sex, marital status, race, color, religion, national origin, age, physical or mental disability, receipt of income from public assistance or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

SECTION VII: DISCLOSURE STATEMENTS

If the answer to any of the following questions is “yes”, please furnish details on an attached sheet.

1. Have any owners, officers, directors, guarantors, general partners, or stockholders or limited partners owning 20% or more of the Applicant, ever been charged with, or convicted of, any criminal offense, other than minor motor vehicle violations? Yes No
2. Has the Applicant or management of the Applicant been informed of any current or on-going investigation of the Applicant with respect to possible violation of state or federal securities law? Yes No
3. Has the Applicant or any owners, officers, directors, guarantors, general partners, stockholders, or limited partners owning 20% or more of the Applicant ever been in receivership, filed for bankruptcy or adjudicated as bankrupt? Yes No
4. Has the Applicant or any owners, officers, directors, guarantors, general partners, stockholders, or limited partners owning 20% or more of the Applicant, involved in any pending lawsuits? Yes No
5. Does the Applicant or any guarantors owe past due federal, state, or local taxes of any nature? Yes No
6. Does any EDA Board member, or any board member or employee of any state or local government, board, council, agency, authority, or commission, have any “personal interest” (as defined in the Virginia State and Local Government Conflict of Interest Act) with respect to any aspect of the project or this funding request? Yes No

The Applicant hereby understands and agrees to the following:

1. Eligibility for financial assistance from EDA is determined by the information presented in this application and in the required attachments. Any changes in the proposed project from the facts presented herein could disqualify the project. Therefore, EDA immediately must be advised in writing of any material changes in the information contained in this application.
2. The Applicant understands that neither the submission of this application, nor any other communications (oral or written), creates any legally binding obligations upon EDA. Final recommendations are made through Committee review and are subject to EDA approval. There is no guarantee of approval.
3. EDA may require supplemental information from time to time. Any such submitted supplemental information shall become a part of this application. If a business had conditional approval for an additional loan amount, and money was released after they hired and retained another employee for one month, the EDA requires an update from them at a 6-month and 12-month follow up to make sure they were still at those higher jobs total. The business would send a copy of FC 20 and 21, which they already file with the Virginia Employment Commission. If they had not retained the total number of jobs at either the 6 or 12-month mark, the interest rate on that conditional part of their loan would go up by 1% (for example, from 4.7% to 5.7%) until that position was filled again.
4. This application shall form a part of any financing or loan agreement between the parties, whether or not expressly adopted by any such financing or loan agreement.
5. In order to keep submitted financial information confidential and not part of public records (unless such information is required by law to be open to the public), each page must be marked “CONFIDENTIAL”.
6. On all loans to or for the benefit of a private enterprise or other non-governmental entity, a loan closing fee up to 2% of the loan amount must be paid or deducted from the loan proceeds at closing. A ½% loan origination fee must be paid or deducted from loan proceeds at closing.

7. Applicants authorize the EDA to contact any and all credit references, obtain credit reports, and otherwise perform whatever background investigations or obtain whatever information EDA deems necessary or desirable in processing this application.

8. Only complete applications will be considered.

VIII. BUSINESS REFERENCES (3 needed)

Business/Entity: _____ Contact Name: _____ Phone: _____

Business/Entity: _____ Contact Name: _____ Phone: _____

Business/Entity: _____ Contact Name: _____ Phone: _____

IX. ATTESTATION

The undersigned hereby certifies that all information contained above and all information contained in attachments which make up this loan application are true and correct to the best of his/her knowledge and belief and are submitted for the purpose of obtaining financial assistance from the Economic Development Authority of Floyd County. Applicant hereby agrees to maintain records that identify the source and application of Recovery Funds and post the supplied “And Justice for All” and “Equal Employment is the Law” posters if loan funds are approved. Further, the applicant hereby commits to comply with all federal and state employment tax requirements.

<p>Applicant Name: _____</p> <p>Signed By: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>

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