MARBIDCO Forestry Equipment and Working Capital Loan Application

MARBIDCO's Forestry Equipment and Working Capital Loan Fund helps meet the financing needs of Maryland forest products businesses by providing low-interest loans for working capital and equipment purchases. The program aims to support innovation, help businesses pursue emerging market opportunities, and complement private commercial lenders by making rural business financing more accessible and affordable. Because many businesses in this industry are highly leveraged, MARBIDCO's total outstanding loan portfolio under this program is capped at $400,000, so applicants should contact the MARBIDCO office for guidance before applying. To better serve Maryland's forest products industry, MARBIDCO uses flexible underwriting guidelines, including a minimum cash flow coverage ratio of 1.0/1.0 and partially relaxed collateral requirements.

Loan Terms and Conditions

Term	Details
Minimum/Maximum loan amount	$15,000 / $150,000
Equity requirement	Typically, 5-10% of a project's total cost.
MARBIDCO interest rate	Determined on a case-by-case basis based on anticipated credit risk. Minimum 6.25%
Loan origination fee	1% of the loan amount.
Loan terms (typically)	Equipment Loan: 3 to 6 years. Operating Loan: 1 to 2 years.
Collateral	Collateral required
Credit Score	Minimum 620 required
Commercial lender involvement	Applicant must provide a bank denial letter or referral from a commercial lender
USDA-RD Participation:	Loan requests to be funded in part by USDA-RD resources must be approved by USDA-RD. MARBIDCO will make the determination as to which loan requests need USDA-RD approval based on their eligibility criteria.
Personal guarantee	Required. All loans made to a business entity must be personally guaranteed by the owners of the business.
Application submission process	All applications must be originated by the applicant.
Send completed applications to	Email completed applications to Brian Cadden, bcadden@marbidco.org or mail to MARBIDCO Loan Programs, 1410 Forest Drive, Suite 21, Annapolis, MD 21403

MARBIDCO Forestry Equipment and Working Capital Loan Application

Applicant Information

Business/Farm Name: ____

Business Address: ____

City: _______________________________ County: ___________________________

State: _______________________________ ZIP: ______________________________

Contact Person: ______________________________ Title: ______________________________

Phone: ______________________________ Email: _____________________________

Business Structure

Year Established: ____________ State: ____________

NAICS Code: ________________

☐Corporation ☐Proprietorship ☐Partnership ☐LLC

Management/Ownership

If there are more than 2 owners, provide the information for all owners and attach to application.

Management/Ownership (Owner 1)

Name: ____

Title: ________________________________ Ownership %: ________________________

SSN: ________________________________ Date of Birth: ________________________

Address: ____

City, State, Zip: ____

Phone: ____________________________ Email: _______________________________

Are you a "beginner farmer" (defined as not operating a farm or ranch as a principal operator for more than 10 years): ☐Yes ☐ No

Management/Ownership (Owner 2)

Name: ____

Title: ______________________________ Ownership %: ______________________

SSN: ______________________________ Date of Birth: ______________________

Address: ____

City, State, Zip: ____

Phone: __________________________ Email: ____________________________

Are you a “beginner farmer” (defined as not operating a farm or ranch as a principal operator for more than 10 years): ☐ Yes ☐ No

Loan Request Information

Loan Amount Requested: _______________

Requested Term (number of years): _________________

Preferred Payment Schedule: ☐ Monthly ☐ Quarterly ☐ Annually

Use of Funds

Use of Funds	Amount

Other Sources of Equity/Matching Funds

Source	Amount

Collateral (list collateral that can be used as security for the loan)

Description	Value	Lien Holder	Amount Owed

Project Information

☐Value-Added Secondary Wood Processing

☐Timber Growing or Harvesting

☐Environmental/ Water Quality

☐Biomass/ Energy Product

Employment Data

Category	Number
Current Full-Time	
New Full-Time within 36 months	
Current Part-Time	
New Part-Time within 36 months	

Project Advisor *(If applicable)*

Advisor Name: ____

Title: ____

Institution Firm: ____

Phone: _________________________________ Email: _____________________________

Physical Facilities (Real Estate)

Physical Facilities (Real Estate) If owned

Annual Mortgage Payment: _______________

Mortgage Balance: ________________

Term of Mortgage: _______________

Tillable Acres: _______________

Appraised Value: _______________

Number of Parcels: _______________

Size (acres): _______________

Irrigated (select one): ☐Yes ☐No

Physical Facilities (Real Estate) If leased

Annual Rental Expense:______________

Location: _______________

Name of Lessor: ______________________

Contact number of Lessor: _______________

Size (acres): _______________

Veteran Status

1. Are you a U.S. military veteran who has received an “Honorable” or “General (Under Honorable Conditions)” discharge; OR are you an active duty military personnel currently serving in any branch of the United States military? (select one): ☐Yes ☐ No

2. Do you have at least 50% ownership and management control of the agribusiness and/or farming operation? (select one): ☐Yes ☐No

If yes to both questions above please provide evidence, either by providing a letter of support from your commanding officer or designated representative attesting to your characterization of service, OR by submitting a Department of Defense Form DD-214, to receive the Home Town Hero Interest Rate Reduction of 0.25% (25 basis points).

Attachments Checklist

All applicable items must be submitted with the application for MARBIDCO to consider the application complete and ready to begin reviewing.

☐Brief description of the project, including justification for MARBIDCO financing
☐Business plan for the project to receive financing
☐Resume(s) or work history of principal business owner(s) and/or farm manager(s)
☐Applicant <u>*and*</u> farm/business operation tax returns for the two preceding years
☐*Signed Commercial Lender Denial Letter or completed Commercial Lender Referral Form
☐*Completed Balance Sheet
☐*Completed Income Statement for the past 2 years
☐*Completed Pro Forma Income Statement
☐*Completed Debt Repayment Schedule
☐If offering real estate as collateral, a copy of the most recent appraisal
☐If eligible for Hometown Hero veteran status, supporting letter from commanding officer(s) or federal form DD-214

Templates for Commercial Lender Referral Form, Balance Sheets, Income Statements and Debt Repayment Schedules are available on MARBIDCO’s website.

Note: MARBIDCO agrees to hold Recipient's Application and Financial Reports in confidence to the extent reasonably permitted by Title 10, Subtitle 6 of the State Government Article of the *Annotated Code of Maryland*. Notwithstanding the aforegoing, MARBIDCO shall not be obligated to maintain in confidence any information: 1) which was already known to MARBIDCO; or, 2) which is or comes into the public domain through no fault of MARBIDCO; or, 3) which is independently developed by MARBIDCO; or, 4) which comes to MARBIDCO from a third party which is not in violation of any obligation of confidentiality to Applicant or MARBIDCO.

Declarations

If answering “yes” to any of these questions, please provide an explanation on a separate sheet and attach.

1. Is the business or any of the top management personnel an endorser, guarantor or co-signer for obligations not listed on its/their financial statements? ☐ Yes ☐ No
2. Is the business or any of the top management personnel a party to any claim or lawsuit?
   ☐ Yes ☐ No
3. Has the business or any of the top management personnel ever declared bankruptcy?
   ☐ Yes ☐ No
4. Does the business or any of the management personnel owe any taxes for prior years?
   ☐ Yes ☐ No
5. Have any managers or owners received a felony conviction? ☐ Yes ☐ No

Conflict of Interest and Ethics Certification

The applicant certifies compliance with the Maryland Public Ethics Law. The applicant affirms that to the best of their knowledge, no State official or employee—nor any qualifying relative (spouse, parent, child, brother, or sister) of a State official or employee—is employed by or has a financial interest in the applicant's business. Furthermore, no State official or employee has a financial interest in the proceeds of this loan or a financial interest in an entity that is negotiating or has entered a contract with the governmental unit.

Equal Credit Opportunity Act (15 U.S.C. 1691)

MARBIDCO does not discriminate in its lending practices. The Federal Equal Credit Opportunity Act (ECOA) and the laws of the State of Maryland strictly prohibit creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract), physical or mental disability, sexual orientation, gender identity, because all or part of the applicant’s income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

The Federal agency that administers compliance with the federal law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

Authority to Collect Personal Information

This notice is provided pursuant to § 4-501 of the General Provisions Article of the Maryland Code. The personal information requested on this application is intended to be used in processing your loan request. Failure to provide the information requested may result in your application not being processed or receiving full consideration. You have the right to inspect, amend, or correct this form.

MARBIDCO is a public agency and is subject to the Maryland Public Information Act. Please be advised that information contained in this form may be made available on the Internet via the agency's website and is subject to inspection or copying, in whole or in part, by the public and other governmental agencies, unless the information is explicitly protected from disclosure by federal or State law.

I authorize the disclosure of all information submitted in connection with this application to the financial institution agreeing to participate in the project financing.

I waive all claims against any financial institution agreeing to participate in the project financing or MARBIDCO.

I realize that if I do not comply with the aforementioned Certification, my loan can be called, terminated or repayments accelerated.

I authorize MARBIDCO to obtain any additional financial information concerning me from any source which MARBIDCO reasonably requires in order to determine whether to make the requested loan, including credit histories, credit reports, and credit scores.

Certification

I certify under penalty of perjury under the laws of the State of Maryland that the information provided in this application, including all statements, representations, and accompanying documents, is true, accurate, and complete to the best of my knowledge.

I understand and acknowledge that submitting false, misleading, or intentionally incomplete information is a violation of State law. I agree that any such misrepresentation may result in the immediate denial of this application, the immediate acceleration and demand for repayment of any loan funds already disbursed, and referral to the appropriate authorities for criminal prosecution for fraud and/or perjury.

Signatures

Applicant Name: ____

Signature: ____

Date: ___________________

Applicant Name: ____

Signature: ____

Date: ___________________

Electronic signatures, including PDF or emailed signatures, are considered original.

How did you hear about this MARBIDCO financial program?

☐ Search Engine (Google, Bing, etc.)

☐Social media

☐Recommended by a friend

☐Event table or exhibit

☐MARBIDCO newsletter

☐Advertisement

☐Other (specify): ___________________________

☐Referred by: [Enter name/organization/state agency]:______________________________