



MARBIDCO

Maryland Resource-Based Industry Financing Fund Direct Loan Program

The Maryland Resource-Based Industry Financing Fund (MRBIFF), administered by MARBIDCO, supports the financing needs of Maryland farm, forestry, and seafood businesses. The program promotes diversification, innovation, and market expansion in food and fiber production and processing, including value-added processing, niche product development, and wood product manufacturing. It may assist with the purchase of working farm or forest land, and it complements the financial services offered by private lenders by making gap financing available and affordable.

MRBIFF provides affordable loans for land and capital equipment related to eligible food, feed, fiber, and fuel businesses. MARBIDCO typically finances 20% to 40% of project costs, contingent on equal or greater participation from a commercial lender or public sector lender, with up to 50% possible in exceptional cases. Applications must be submitted through a commercial lender or Farm Credit Association, though MARBIDCO originates and services its own loans. Collateral is generally secured through a subordinate lien position to the primary lender.

Loan Terms and Conditions

Term	Details
Maximum loan amount	\$300,000 acquisition of equipment/fixed assets \$600,000 real estate and poultry house construction \$1 million large scale food/fiber processing project (not more than 25% of the project cost)
Equity requirement	Typically, 10% of a project's total cost; can be less for young and beginning farmers, poultry projects may not exceed an LTV of 92%
MARBIDCO interest rate	4.75% for the first 3 years, 5.25% for the next 3 years, 5.75% for the remaining term of the loan
Loan origination fee	1% of the loan amount.
Loan terms (typically)	Equipment: 3 to 7 years (with up to 12 months interest-only) Land: 10-30 years (typically with a 10-year balloon)
Collateral	Collateral required
Credit Score	Minimum 620
Commercial Lender Participation	Commercial lenders (or public sector lenders) provide 60-80% of the financing. A 50/50 participation is possible under extraordinary circumstances.
Personal guarantee	Required. All loans made to a business entity must be personally guaranteed by the owners of the business.
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

Maryland Resource-Based Industry Financing Fund (MRBIFF) Direct Loan Application

Lender Information

Financial Institution: _____

Address: _____

City: _____ County: _____

State: _____ ZIP: _____ Office Phone: _____

Contact Person: _____ Title: _____

Direct Phone: _____ Email: _____

Loan Request

Loan Amount Requested: _____

How will MARBIDCO loan funds be used: _____

Use of Funds	Amount

Project Financing

Total Being Financed (\$)	
Total Borrower Equity (\$)	
Total Project Cost (\$)	

Category	Dollar Amount	Percentage
Amount Financed by Lender		
Amount Financed by MARBIDCO		
Total Amount Financed		

Amount to be financed by other party, if applicable: \$ _____ (_____%)

Specify other party: _____

Preferred Payment Schedule

☐ Monthly ☐ Quarterly ☐ Annually ☐ Semi-Annually

Enter the lender term and amortization details on the left and the interest rate on the right.

Lender Loan Term and Amortization	Interest Rate

Collateral

How will this loan be secured for the Lender and MARBIDCO (i.e., the collateral)?

Collateral	Value	Lien Amount
<i>Real Estate (required):</i>		

Local or Regional Equity Incentive Grant (if applicable)

MARBIDCO may offer up to 5% in an Equity Incentive Grant with financial support from certain county governments and rural regional development councils (including the Southern Maryland Agricultural Development Commission, a division of the Tri-County Council for Southern Maryland, and the Upper Shore Regional Council). The Equity Incentive Grant applies to applications received for businesses located **only** in the following Maryland counties: **Anne Arundel, Calvert, Cecil, Charles, Kent, Prince George's, Queen Anne's and St. Mary's.**

The Applicant(s) must provide cash equity at settlement, and the Equity Incentive Grant funds will match the equity contribution of the borrower up to 5% of the project cost (not to exceed \$15,000 maximum). The Equity Incentive Grant amount will be determined prior to settlement and included in the approval letter, and grant funds will be disbursed with loan proceeds upon receiving a signed settlement statement which indicates the requisite equity contribution has been made. The calculation for the Equity Incentive Grant amount is: 1) The total project cost (for real estate purchase, fixed asset, and/or construction expense) minus the anticipated commercial financing equals the equity contribution that would be required to complete the project; and 2) the borrower then must contribute at least an equal amount to that of MARBIDCO funds that are brought to the settlement table to provide sufficient funding to complete the total project (with MARBIDCO's amount capped at \$15,000).

Will the Applicant provide up to 5% cash equity at settlement to qualify for an Equity Incentive Grant?

☐ Yes ☐ No

If "yes", Enter the percentage and dollar amount: _____% \$ _____

Name of participating county: _____

Borrower Information

Applicant Type: ☐ Business Entity ☐ Individual(s)

Beginning Farmer (defined as not operating a farm or ranch as a principal operator for more than 10 years):

☐ Yes ☐ No

Business Information (if applicable)

Business/Farm Name: _____

Business Address: _____

City: _____ County: _____

State: _____ ZIP: _____

Contact Person: _____ Title: _____

Phone: _____ Email: _____

Year Established: _____ State: _____

NAICS Code: _____

Business Type: ☐ Corporation ☐ LLC ☐ Partnership
☐ Proprietorship ☐ Agricultural Cooperative

Management/Ownership or Borrower(s) Information

If there are more than two persons, please provide the following information for each additional person on an attached sheet.

Number of individual borrowers: _____

Name: _____

Ownership %: _____ Credit Score: _____

SSN: _____ Date of Birth: _____

Address: _____

City, State, Zip: _____

Phone: _____

Email: _____

Name: _____

Ownership %: _____ Credit Score: _____

SSN: _____ Date of Birth: _____

Address: _____

City, State, Zip: _____

Phone: _____

Email: _____

Project Information

- ☐ Commodity Crop
- ☐ Specialty Crops
- ☐ Livestock
- ☐ Value-Added Processing
- ☐ Agri-Tourism
- ☐ Timber

- ☐ Wood Processing
- ☐ Environmental/Water Quality
- ☐ Biomass/Energy
- ☐ Niche Markets
- ☐ Aquaculture/Seafood
- ☐ Other _____

Employment Data

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

Certification

The applicant is current on all existing financial obligations to our institution, and, to my knowledge has not filed for Bankruptcy during the last 7 years. ☐ YES ☐ NO

I certify that the above information is accurate to the best of my knowledge.

Loan Officer Signature: _____ Date: _____

Application Checklist

- ☐ This application must be completed and signed by the participating lender's representative and all individual borrowers.
- ☐ Include the lender's loan or credit underwriting package, including:
 - Loan Officer's Narrative
 - Balance Sheet (dated within 90 days of application submission)
 - Income Statements (past two years)
 - Debt Repayment Schedule
 - Pro Forma Income Statements (at least one year of projections)
- ☐ Business plan for the next three years, if available
- ☐ Project Description
- ☐ Tax returns for the applicant and farm operation for the last two years
- ☐ Most recent appraisal for the real estate used as collateral
- ☐ Hometown Hero documentation

BORROWER(S) INFORMATION TO BE COMPLETED and SIGNED BY BORROWER(S)

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).

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.)

☐ MARBIDCO newsletter

☐ Social media

☐ Advertisement

☐ Recommended by a friend

☐ Other (specify):

☐ Event table or exhibit

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