



## *“Promoting Innovation in Maryland Agricultural and Resource-Based Business”*

### **Application for the Maryland Vineyard Planting Loan Fund**

#### **Program Description**

The Vineyard Planting Loan Fund has been established by MARBIDCO to help meet the unique financing needs of Maryland’s rural landowners wanting to plant grapes and develop wineries. Vines typically take 3-4 years to produce their first commercial crop, with additional years to reach full maturity. This program makes available low-interest loans of at least \$10,000 to qualified applicants. A major aim of this program is to increase the acreage of viable commercial vineyards in Maryland. Another objective of this program is to complement the financial services offered by private commercial lenders by helping to make rural enterprise financing both available and affordable. This program is supported by the Maryland Wineries Association and the Maryland Grape Growers Association.

The requested financial assistance from MARBIDCO must relate to the installation of new vineyards, including, but not limited to, the prepping of land for vineyard installation, purchase of vines, vineyard equipment and supplies. The purchase of tractors, pick-up trucks, and wine-making equipment are not eligible for financing under this particular program, but are eligible for financing under other MARBIDCO programs including the MRBIFF and Rural Business Working Capital Loan Programs (for more information please visit [www.marbidco.org](http://www.marbidco.org)).

Each loan application will be reviewed for financial viability by a panel of agricultural lenders at MARBIDCO, and operational, viticultural and/or enological viability by members of the wine/grape industry’s viticulture committee. MARBIDCO will make and service all loans, and all loans must be fully collateralized. Borrowers have some flexibility in choosing the loan repayment terms that best fit their needs. Applications are reviewed as they are received and typically take 3-4 weeks to process. Applications that are submitted that are not complete will delay the review process.

#### **Loan Terms and Conditions**

Minimum/Maximum Loan Amount:	\$10,000 to 100,000.
Equity Requirement:	Typically, 10% of a project’s total cost, but grant funds can also qualify.
Collateral Requirement:	Typically, real estate (for all liens, less than 80% loan-to-value would be ideal).
Loan Term:	Maximum of 10 years.
MARBIDCO Interest Rate:	<b>Option 1 -- Adjustable Interest and Principal Payments:</b> 3% APR for the first three years, then adjusting to 5% APR for the balance of the loan term.  <b>Option 2 – Interest-Only Payments for First Three Years; P&amp;I Thereafter:</b> 5% APR (fixed rate) during the entire term of the loan, but borrower may elect make interest-only payments during the first 3 years.
Loan Origination Fee:	0.5% of loan amount (Paid at closing to MARBIDCO).
Commercial Lender Participation:	A commercial lender must participate in the application process by providing a letter of referral. An attachment to be completed by a financial institution describing current loan obligations is found at the end of this application form.
Send Completed Applications to:	MARBIDCO Loan Programs, 1410 Forest Drive, Suite 28, Annapolis, MD 21403

#### **Required Attachments to the Application**

1.  Site evaluation approval letter from the wine/grape industry’s viticulture committee.
2.  Business or vineyard management plan for the project to receive financing.
3.  Resume(s) of principal landowner(s) and/or farm manager(s).
4.  Letter of referral from a commercial lending institution.
5.  Applicant (or company or farm operation) tax return for the two preceding years.
6.  Applicant (or company or farm operation) pro forma income statement, balance sheet, and debt repayment schedule.

**Application for a Maryland Vineyard Planting Loan**

**SECTION 1: APPLICANT INFORMATION**

Business/Farm Name \_\_\_\_\_

Business Address \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Contact Person \_\_\_\_\_ Title \_\_\_\_\_

Work Telephone \_\_\_\_\_ Mobile Telephone \_\_\_\_\_

E-mail \_\_\_\_\_ Fax Number \_\_\_\_\_

Social Security# (or Federal ID#) \_\_\_\_\_ Date of Birth \_\_\_\_\_

**LOAN REQUEST INFORMATION**

Total Amount Requested: \_\_\_\_\_ Term Requested (in months): \_\_\_\_\_

Use of Funds	Amount
	\$
	\$
	\$

Other Sources of Equity and/or Matching Funds:

Source	Amount
	\$
	\$
Total	\$

**COLLATERAL SECURITY**

(List all collateral that can be used as security for the loan and any other lien holders on each item of collateral.)

Collateral	Value	Lien Holders	Amount Owed	Payment Amount	Payment Frequency
	\$		\$	\$	
	\$		\$	\$	
	\$		\$	\$	

**PROJECT ADVISOR(S) (If Applicable)**

1) Name \_\_\_\_\_ Title \_\_\_\_\_

Institution/Firm \_\_\_\_\_

Work Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

2) Name \_\_\_\_\_ Title \_\_\_\_\_

Institution/Firm \_\_\_\_\_

Work Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

**SECTION 2: PROJECT INFORMATION**

**BRIEF DESCRIPTION OF PROJECT, INCLUDING THE JUSTIFICATION FOR FINANCING**

(Include details on working capital and equipment to be purchased and any labor that will likely be needed. Please be sure to clearly identify eligible vineyard installation equipment and materials. Tractors, pick-up trucks, and wine-making equipment cannot be financed under this particular program.)

**SECTION 3: INFORMATION ABOUT YOUR BUSINESS**

**BUSINESS STRUCTURE**

Year & State Established/Incorporated \_\_\_\_\_

Corporation  Partnership  Proprietorship  LLC [SIC/NAICS Code \_\_\_\_\_]

Type of Business \_\_\_\_\_

Is at least 51% of the business owned by either U.S. citizens, or by persons that reside in the U.S. after being legally admitted for permanent residence?

\_\_\_\_ Yes \_\_\_\_ No

**BUSINESS MANAGEMENT/OWNERSHIP**

1) Name \_\_\_\_\_ Social Security # \_\_\_\_\_

Title \_\_\_\_\_ % Ownership \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

2) Name \_\_\_\_\_ Social Security # \_\_\_\_\_

Title \_\_\_\_\_ % Ownership \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

**EMPLOYMENT DATA**

# of current full-time jobs \_\_\_\_\_ # of current part-time jobs \_\_\_\_\_

# of full-time jobs projected within 12 months \_\_\_\_\_

# of part-time jobs projected within 12 months \_\_\_\_\_

Does your business have less than 50 employees and no more than \$1,000,000 in annual sales?

\_\_\_\_ Yes \_\_\_\_ No

How many jobs do you expect that this loan will help to retain or create?

\_\_\_\_ Full-time \_\_\_\_ Part-time

**PHYSICAL FACILITIES (REAL ESTATE)**

Number of Acres of Land Owned \_\_\_\_\_ Number of Acres of Land Leased \_\_\_\_\_

Land, If Owned (Property A)

Annual Mortgage \_\_\_\_\_ Mortgage Balance \_\_\_\_\_

Term of Mortgage \_\_\_\_\_ Size(acres) \_\_\_\_\_

Type /# of Buildings \_\_\_\_\_ Appraised Value \_\_\_\_\_

Land, If Owned (Property B)

Annual Mortgage \_\_\_\_\_ Mortgage Balance \_\_\_\_\_

Term of Mortgage \_\_\_\_\_ Size(acres) \_\_\_\_\_

Type /# of Buildings \_\_\_\_\_ Appraised Value \_\_\_\_\_

**SECTION 4: MISCELLANEOUS QUESTIONS**

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 or current years?

Yes  No

5. Have any managers or owners received a felony conviction?

Yes  No

**EQUAL CREDIT OPPORTUNITY ACT (15 U.S.C. 1691)**

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided that the applicant has the capacity to enter into a binding contract), 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 this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

**CERTIFICATION**

I/We certify all information in this application and the attachments is true and complete to the best of my/our knowledge and is submitted so the MARBIDCO Loan Committee can decide whether to offer financial assistance.

Signature \_\_\_\_\_ Signature \_\_\_\_\_

Date \_\_\_\_\_ Date \_\_\_\_\_

**AUTHORITY TO COLLECT PERSONAL INFORMATION**

This information is provided pursuant to Public Law 93-579 (Privacy Act of 1974).  
Effect of Non-Disclosure: Omission of an item means your application might not receive full consideration.

I/We authorize disclosure of all information submitted in connection with this application to the financial institution agreeing to participate in the project financing. I/We waive all claims against either the sponsoring financial institution or MARBIDCO.

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

If Applicant is a PROPRIETOR OR GENERAL PARTNER, sign below:

\_\_\_\_\_ Signature of borrower    Date \_\_\_\_\_  
\_\_\_\_\_ Print name and title of borrower  
\_\_\_\_\_ Print address of borrower  
\_\_\_\_\_

If Applicant is a CORPORATION, sign below:

I agree to personally guarantee any loan repayments that may be due to MARBIDCO in the event of a payment default by the corporation.

\_\_\_\_\_ Signature of president    Date \_\_\_\_\_  
\_\_\_\_\_ Print name and title of president  
\_\_\_\_\_

Attested by:

\_\_\_\_\_ Signature of corporate secretary

Corporate Seal    Date: \_\_\_\_\_

\_\_\_\_\_ Signature of preparer if not applicant  
\_\_\_\_\_ Print name and title of preparer  
\_\_\_\_\_ Print address of preparer  
\_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Witness \_\_\_\_\_

Date \_\_\_\_\_

**COMMERCIAL LENDER FORM**  
**MARBIDCO Vineyard Planting Loan Fund APPLICATION**

Name of Applicant \_\_\_\_\_

Address \_\_\_\_\_

Business Project/Activity \_\_\_\_\_

I do hereby authorize the release of the following information to MARBIDCO:

Signature of Applicant \_\_\_\_\_ Date \_\_\_\_\_

An applicant is requesting a Vineyard Planting Loan from MARBIDCO. Please kindly provide the information requested below and attach a letter of referral from your financial institution (on your company letterhead) in order that MARBIDCO may process this application. It is understood that you are not offering an opinion as to whether or not MARBIDCO should make a loan to the applicant.

Lending Institution Name \_\_\_\_\_

Business Address \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Bank Officer Name \_\_\_\_\_ Title \_\_\_\_\_

Work Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

DESCRIPTION OF CURRENT LOANS MADE TO THE APPLICANT	LOAN TERM	COLLATERAL	AMOUNT BORROWED	AMOUNT OUTSTANDING
			\$	\$
			\$	&
			\$	&

Please briefly describe the loans (current or past), terms and conditions, collateral, and business relationship you have with the applicant?

Bank Officer Signature \_\_\_\_\_ Date \_\_\_\_\_

## Balance Sheet

Balance Sheet Date: \_\_\_\_\_

<u>Assets</u>	<u>Liabilities</u>
Current Assets	Current Liabilities
Cash _____	Taxes _____
Accounts Receivable _____	Accounts Payable _____
Notes Receivable _____	Credit Cards (specify) _____
Crops Held for Resale _____	_____
Inventory _____	_____
Other Current Assets _____	_____
<b>Current Assets</b> _____	Notes Payable (specify) _____
Automobile/Trucks/Boats _____	_____
Machinery & Equipment _____	_____
Dairy Livestock _____	Other Liabilities _____
Other Breeding Livestock _____	Current Portion of Long Term Debt* _____
IRA/401K Retirement Accts _____	<b>Current Liabilities</b> _____
Farm Land _____	Long Term Liabilities (specify) _____
Acres _____	_____
Acres _____	_____
Acres _____	_____
Forest Land _____	_____
Acres _____	_____
Acres _____	_____
Acres _____	_____
Residence _____	_____
Other Real Estate _____	_____
_____	_____
<b>Non Current Assets</b> _____	<b>Non Current Liabilities</b> _____
_____	<b>Total Liabilities</b> _____
<b>Total Assets</b> _____	<b>Net Worth</b> _____
	<b>Total Liabilities &amp; Net Worth</b> _____

*\*Current portion of long term debt represents the total amount of long-term debt that must be paid within the next year.*

## Pro Forma Income Statement

(Revenue and expense projections for the upcoming year)  
Date: \_\_\_\_\_

### Farm/Business Income and Expenses

<b>Income</b>	
Sales	_____
Rental Income	_____
Ag Program Payments	_____
Other Income (specify)	_____
_____	_____
_____	_____
_____	_____
<u>Less Cost of Goods Sold</u>	_____
Gross Farm/Business Income	_____

<b>Expenses</b>	
Advertising	_____
Car & Truck Expenses	_____
Chemicals	_____
Custom Hire/Consultants	_____
Labor Hired	_____
Employee Benefits	_____
Feed Purchased	_____
Fertilizer	_____
Freight, Trucking	_____
Gasoline, Fuel, Oil	_____
Insurance	_____
Rent of Machinery & Equip	_____
Rent of Farm, Pasture	_____
Repairs, Maintenance	_____
Seeds, Plants Purchased	_____
Storage, Warehousing	_____
Utilities	_____
Veterinary, Medicine, Breeding	_____
Miscellaneous Expenses (specify)	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total Farm/Business Expenses	_____
Net Farm/Business Income	_____

Prior Year Depreciation \_\_\_\_\_

### Other Income and Expenses

<b>Income</b>	
Salaries & Wages	_____
Interest & Dividends	_____
Non Farm Rental	_____
Schedule C Income	_____
Other Income (specify)	_____
_____	_____
_____	_____
Gross Other Income	_____

<b>Expenses</b>	
Social Security Withholding	_____
Self-Employment Taxes	_____
Income Taxes (State & Federal)	_____
Living Expenses	_____
_____	_____
_____	_____
Total Other Expenses	_____
Net Other Income	_____

### Farm or Business Debt Repayment Schedule

Date: \_\_\_\_\_

Lender and Loan Number	Original Amount	Date Incurred	Interest Rate	Payments Per Year	Amount of Periodic Payment	Loan Balance
<b>Annual Totals</b>						

### Personal Debt Repayment Schedule

Date: \_\_\_\_\_

Lender and Loan Number	Original Amount	Date Incurred	Interest Rate	Payments Per Year	Amount of Periodic Payment	Loan Balance
<b>Annual Totals</b>						