

**Report to
Joint Committee on Government and Finance
and
Governor's Office**

March 2022

**West Virginia Economic Development
Authority**

Loan Insurance Program





Memo

To: WVEDA Board
Joint Committee on Government and Finance
WV Governor's Office

From: Executive Director, Kris Warner

Date: April 25, 2022

Re: Loan Insurance report for the quarter ending March 31, 2022

In accordance with West Virginia Code § 31-15-8(h), the West Virginia Economic Development Authority (the "WVEDA") is required to submit quarterly reports on the 30th day of each January, April, July and October to the Joint Committee on Government and Finance and the Governor containing information about the WVEDA's Loan Insurance Program created by West Virginia Code § 31-15-8 ("LINS").

As of March 31, 2022, WVEDA has \$6,203,252.28 of funds available in its Loan Insurance Fund and can commit up to five times the funds available or \$31,016,261 to financial institutions seeking loan insurance of debt instruments entered into with businesses in the state. The WVEDA has committed \$4,797,707.73 for LINS.

Listed below are the outstanding and active Loan Insurance commitments:

- | | |
|-------------------------------|--------------------|
| Borrower Name: | Oxley Rich Sammons |
| Financial Institution: | Poca Valley Bank |
| Total Loan Value: | \$67,070.55 |

Loan Amount Insured: \$53,656.44
LINS Loan O/S Principal: \$53,656.44
Loan Maturity Date: 2/20/2023
Loan Status: Current

2. **Borrower Name:** Cape Henry, LLC
Financial Institution: Poca Valley Bank
Total Loan Value: \$241,264.17
Loan Amount Insured: \$193,011.34
LINS Loan O/S Principal: \$193,011.34
Loan Maturity Date: 4/10/2023
Loan Status: Current

3. **Borrower Name:** Magnolia Assisted Living, Inc.
Financial Institution: Poca Valley Bank
Total Loan Value: \$491,254.85
Loan Amount Insured: \$393,003.88
LINS Loan O/S Principal: \$393,003.88
Loan Maturity Date: 10/7/2023
Loan Status: Current

4. **Borrower Name:** Cape Henry, LLC
Financial Institution: Poca Valley Bank
Total Loan Value: \$250,840.52
Loan Amount Insured: \$200,672.42
LINS Loan O/S Principal: \$200,672.42
Loan Maturity Date: 1/24/2024
Loan Status: Current

5. **Borrower Name:** ABC Holding Company, LLC
Financial Institution: Poca Valley Bank
Total Loan Value: \$1,017,864.97
Loan Amount Insured: \$500,000.00
LINS Loan O/S Principal: \$500,000.00
Loan Maturity Date: 3/19/2024
Loan Status: Current

6. **Borrower Name:** Mountaineer Real Estate, Inc.
Financial Institution: Clear Mountain Bank
Total Loan Value: \$2,506,263.73
Loan Amount Insured: \$500,000.00
LINS Loan O/S Principal: \$500,000.00
Loan Maturity Date: 10/22/2024
Loan Status: Current

7. **Borrower Name:** Supply Solutions, LLC

Financial Institution: Clear Mountain Bank
Total Loan Value: \$863,278.49
Loan Amount Insured: \$500,000.00
LINS Loan O/S Principal: \$500,000.00
Loan Maturity Date: 6/24/2025
Loan Status: Current

8. **Borrower Name:** SmartVac Hydrovacs Ltd. Co.
Financial Institution: Citizens Bank of Weston
Total Loan Value: \$197,949.47
Loan Amount Insured: \$158,359.58
LINS Loan O/S Principal: \$158,359.58
Loan Maturity Date: 7/20/2025
Loan Status: Current

9. **Borrower Name:** Old Cape Henry, LLC
Financial Institution: Poca Valley Bank
Total Loan Value: \$516,131.89
Loan Amount Insured: \$412,905.51
LINS Loan O/S Principal: \$412,905.51
Loan Maturity Date: 8/9/2025
Loan Status: Current

10. **Borrower Name:** Classic Marble Company
Financial Institution: Poca Valley Bank
Total Loan Value: \$148,426.89
Loan Amount Insured: \$118,741.51
LINS Loan O/S Principal: \$118,741.51
Loan Maturity Date: 12/3/2025
Loan Status: Current

11. **Borrower Name:** Classic Marble Company
Financial Institution: Poca Valley Bank
Total Loan Value: \$143,871.92
Loan Amount Insured: \$115,097.54
LINS Loan O/S Principal: \$115,097.54
Loan Maturity Date: 12/3/2025
Loan Status: Current

12. **Borrower Name:** Medical Info Systems Tech, LLC
Financial Institution: First State Bank of Barboursville
acquired by Summit Bank
Total Loan Value: \$58,161.06
Loan Amount Insured: \$52,344.95
LINS Loan O/S Principal: \$52,344.95
Loan Maturity Date: 3/26/2026

Loan Status: Current

13. Borrower Name: Digital Connections, Inc.
Financial Institution: Clear Mountain Bank
Total Loan Value: \$1,891,660.02
Loan Amount Insured: \$1,513,328.02
LINS Loan O/S Principal: \$1,513,328.02
Loan Maturity Date: 3/26/2028
Loan Status: Current

Listed below is a LINS commitment that was in default prior to the commitment expiration:

1. Borrower Name: Three Square, LLC
Financial Institution: United Bank
Total Loan Value: \$96,207.28
Loan Amount Insured: \$86,586.55
LINS Loan O/S Principal: \$86,586.55
Loan Maturity Date: 10/2/2018 EXPIRED *
Loan Status: Default

*Still reported by WVEDA since United Bank tendered claim prior to expiration, but bankruptcy has stayed the bank's action to collect from the borrower.

I have also attached the WVEDA's internal report from March 31, 2022, which is provided on a monthly basis to the WVEDA Board members for review and discussion at the monthly Board meeting.

West Virginia Economic Development Authority March 2022 Loan Insurance Report

ORIGINAL FUNDS from 1990	\$7,000,000.00
LESS Funds returned to General Fund 7/2016	(\$3,500,000.00)
REMAINING Original Funds	\$3,500,000.00
Total WVEDA Loan Insurance Funds available	\$6,203,252.28

Insured Projects: Business Name	Bank	Commitment Date	Closing Date	Original Amount	Insured %	Original Exposure	Outstanding Balance	Estimated Exposure	Insurance Expiration
Three Square, LLC	FI	9/18/2014	10/2/2014	199,000.00	90.00	179,100.00	96,207.28	86,586.55	10/2/2018
Oxley Rich Sammons	QQ	10/18/2018	2/20/2019	300,000.00	80.00	240,000.00	67,070.55	53,656.44	2/20/2023
Cape Henry, LLC	QQ	8/16/2018	4/10/2019	350,000.00	80.00	280,000.00	241,264.17	193,011.34	4/10/2023
Magnolia Assisted Living, Inc.	QQ	9/19/2019	10/7/2019	520,000.00	80.00	416,000.00	491,254.85	393,003.88	10/7/2023
Cape Henry, LLC	QQ	1/16/2020	1/24/2020	303,960.00	80.00	243,168.00	250,840.52	200,672.42	1/24/2024
ABC Holding Company, LLC	QQ	2/20/2020	3/19/2020	1,000,000.00	80.00	500,000.00	1,017,864.97	500,000.00	3/19/2024
Mountaineer Real Estate, Inc.	PP	10/15/2020	10/22/2020	2,625,000.00	80.00	500,000.00	2,506,263.73	500,000.00	10/22/2024
Supply Solutions, LLC	PP	6/17/2021	6/24/2021	1,000,000.00	80.00	500,000.00	863,278.49	500,000.00	6/24/2025
SmartVac Hydrovacs Ltd. Co.	Y	5/20/2021	7/20/2021	224,000.00	80.00	179,200.00	197,949.47	158,359.58	7/20/2025
Old Cape Henry, LLC	QQ	10/15/2020	8/9/2021	613,500.00	80.00	490,800.00	516,131.89	412,905.51	8/9/2025
Classic Marble Company	QQ	8/19/2021	12/3/2021	150,000.00	80.00	120,000.00	148,426.89	118,741.51	12/3/2025
Classic Marble Company	QQ	8/19/2021	12/3/2021	150,000.00	80.00	120,000.00	143,871.92	115,097.54	12/3/2025
Medical Info Systems Tech, LLC	FF	12/17/2008	1/13/2009	150,000.00	90.00	135,000.00	58,161.06	52,344.95	3/26/2026
Digital Connections, Inc.	PP	3/15/2018	3/26/2018	2,800,000.00	80.00	2,240,000.00	1,891,660.02	1,513,328.02	3/26/2028
TOTALS				\$10,385,460.00		\$6,143,268.00	\$8,490,245.81		

Uncommitted Funds Available (Estimated Exposure - LINS Funds Available)	\$1,405,544.55
MAXIMUM STATUTORY LEVERAGE (five times LINS Funds Available)	\$31,016,261.40
ORIGINAL EXPOSURE (TOTAL Original Exposure/Maximum Statutory Leverage)	19.81%
ESTIMATED EXPOSURE (TOTAL Estimated Exposure/Maximum Statutory Leverage)	15.47%

West Virginia Economic Development Authority March 2022 Loan Insurance Report

CLAIMS PAID	BANK CODE	BANK	AMOUNT
PROJECT/BUSINESS NAME	BANK CODE	BANK	AMOUNT
Hinton Hardwoods	S	City National Bank	\$141,076.47
Morgan Shirt	C2	Huntington Banks WV, Morgantown	107,900.68
Bob Bennett Ford	C2	Huntington Banks WV, Morgantown	52,737.96
O'Neal's Bakery	T	Rock Branch Community Bank	23,246.00
Mt. State Moulding	R	Bellington Bank	101,266.64
Custom Shootin	N2	One Valley Bank, N.A. Huntington (BB&T)	36,800.00
Stonewall Jackson State Park	W	WVEDA Comm'l Develop Rev Bonds Series 2000-A & 2000-B	1,000,000.00
Magnagraphies, Inc.	Z	Williamstown National Bank	16,294.85
Sequelle Communications	F1	United Bank	72,481.84
Capredoni	CC	BB&T	125,889.12
Santiago	DD	Monongahela Valley Bank, Inc.	101,160.60
Western Greenbrier Co-Generation, LLC	BB	FNB of Ronceverte	3,000,000.00
Santiago	O4	Bank One West Virginia, N.A, Clarksburg	45,794.88
			\$4,824,649.04

BANK CODE	BANK NAME
F1	United National Bank, Parkersburg
Y	Citizens Bank of Weston
FF	First State Bank of Barboursville
PP	Clear Mountain Bank
QQ	Poca Valley Bank