



Memo

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

From: Executive Director, Kris Warner

Date: January 31, 2024

Re: Loan Insurance report for the quarter ending December 31, 2023

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 December 31, 2023, WVEDA has \$42,336,832.85 of funds available in its Loan Insurance Fund; however, of that amount, \$25,000,000.00 was specifically appropriated and restricted for the benefit of Mountaintop Beverage LLC. Therefore, the WVEDA can commit up to five times the funds available of \$17,336,832.85, or \$86,684,164.25 to financial institutions seeking loan insurance of debt instruments entered into with businesses in the state. The WVEDA has \$4,736,272.12 in Loan Insurance exposure. The WVEDA has two commitments for loan insurance, not yet closed, in the total amount of \$25,500,000.00 which are anticipated to increase its exposure to \$30,236,272.12.

Listed below are the outstanding and active Loan Insurance commitments:

- 1. Borrower Name:** Magnolia Assisted Living, Inc.
Financial Institution: Poca Valley Bank
Total Loan Value: \$463,232.34
Loan Amount Insured: \$370,585.87
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 10/7/2023
Loan Status: Current
- 2. Borrower Name:** ABC Holding Company, LLC
Financial Institution: Poca Valley Bank
Total Loan Value: \$678,016.13
Loan Amount Insured: 80% not to exceed \$500,000.00.
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 3/19/2024
Loan Status: Current
- 3. Borrower Name:** Mountaineer Real Estate, Inc.
Financial Institution: Clear Mountain Bank
Total Loan Value: \$2,349,568.91
Loan Amount Insured: 80% not to exceed \$500,000.00.
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 10/22/2024
Loan Status: Current
- 4. Borrower Name:** Supply Solutions, LLC
Financial Institution: Clear Mountain Bank
Total Loan Value: \$110,850.87
Loan Amount Insured: \$88,680.70
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 6/24/2025
Loan Status: Current
- 5. Borrower Name:** SmartVac Hydrovacs Ltd. Co.
Financial Institution: Citizens Bank of Weston
Total Loan Value: \$124,740.35
Loan Amount Insured: \$99,792.28
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 7/20/2025
Loan Status: Current

* - The Loan Insurance program is not supported by an outstanding loan.
Funding is provided from WVEDA Cash balances.

6. **Borrower Name:** Old Cape Henry, LLC
Financial Institution: Poca Valley Bank
Total Loan Value: \$394,169.96
Loan Amount Insured: \$315,335.97
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 8/9/2025
Loan Status: Current
7. **Borrower Name:** Classic Marble Company
Financial Institution: Poca Valley Bank
Total Loan Value: \$140,083.63
Loan Amount Insured: \$112,066.90
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 12/3/2025
Loan Status: Current
8. **Borrower Name:** Classic Marble Company
Financial Institution: Poca Valley Bank
Total Loan Value: \$110,380.76
Loan Amount Insured: \$88,3004.61
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 12/3/2025
Loan Status: Current
9. **Borrower Name:** Medical Info Systems Tech, LLC
Financial Institution: First State Bank of Barboursville
acquired by Summit Bank
Total Loan Value: \$39,302.63
Loan Amount Insured: \$35,372.37
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 3/26/2026
Loan Status: Current
10. **Borrower Name:** Digital Connections, Inc.
Financial Institution: Clear Mountain Bank
Total Loan Value: \$1,438,113.14
Loan Amount Insured: \$1,150,490.51
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 3/26/2028
Loan Status: Current

*** - The Loan Insurance program is not supported by an outstanding loan. Funding is provided from WVEDA Cash balances.**

- 11. Borrower Name:** Rose Holdings LLC
Financial Institution: Clear Mountain Bank
Total Loan Value: \$2,390,024.20
Loan Amount Insured: 80% not to exceed \$500,000.00.
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 09/28/2027
Loan Status: Current
- 12. Borrower Name:** Tyler Mountain Water Company, Inc.
Financial Institution: Poca Valley Bank
Total Loan Value: \$486,320.45
Loan Amount Insured: \$389,056.36
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 09/21/2027
Loan Status: Current
- 13. Borrower Name:** NorthStar Technologies, LLC
Financial Institution: Clear Mountain Bank
Total Loan Value: \$1,181,223.34
Loan Amount Insured: 80% not to exceed \$500,000.00.
LINS Loan O/S Principal: \$-0-
Loan Maturity Date: 09/28/2027
Loan Status: Not yet funded.

Listed below are approved LINS commitments that are pending the execution of the Standard Loan Insurance Agreement:

- 1. **Borrower Name:** Mountaintop Beverage LLC
Financial Institution: Poca Valley Bank
Total Loan Value: \$25,000,000.00
Loan Amount Insured: \$25,000,000.00
LINS Loan O/S Principal: \$-0-
Loan Maturity Date:
Loan Status: WVEDA approved pending execution.

- 2. **Borrower Name:** RRD, LLC
Financial Institution: Poca Valley Bank
Total Loan Value: \$500,000.00
Loan Amount Insured: \$400,000.00
LINS Loan O/S Principal: \$-0-
Loan Maturity Date:
Loan Status: WVEDA approved pending execution.

* - **The Loan Insurance program is not supported by an outstanding loan. Funding is provided from WVEDA Cash balances.**

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, N.A.
 - Total Loan Value:** \$96,207.28
 - Loan Amount Insured:** \$86,586.55
 - LINS Loan O/S Principal:** \$-0-*
 - 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 December 31, 2023, which is provided monthly to the WVEDA Board members for review and discussion at the monthly Board meeting.

*** - The Loan Insurance program is not supported by an outstanding loan. Required funding is provided from WVEDA Cash balances.**