Report to
Joint Committee on Government and Finance
and
Governor’s Office

June 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: July 20, 2022

Re: Loan Insurance report for the quarter ending June 30, 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 June 30, 2022, WVEDA has $6,216,083.51 of funds available in its Loan Insurance Fund and can commit up to five times the funds available or $31,080,417.55 to financial institutions seeking loan insurance of debt instruments entered into with businesses in the state. The WVEDA has committed $4,307,018.49 for LINS.

Listed below are the outstanding and active Loan Insurance commitments:

1. **Borrower Name:** Oxley Rich Sammons  
   **Financial Institution:** Poca Valley Bank  
   **Total Loan Value:** $47,067.51  
   **Loan Amount Insured:** $37,654.01
2. Borrower Name: Magnolia Assisted Living, Inc.  
   Financial Institution: Poca Valley Bank  
   Total Loan Value: $489,805.10  
   Loan Amount Insured: $391,844.08  
   LINS Loan O/S Principal: $391,844.08  
   Loan Maturity Date: 10/7/2023  
   Loan Status: Current

3. Borrower Name: ABC Holding Company, LLC  
   Financial Institution: Poca Valley Bank  
   Total Loan Value: $971,419.58  
   Loan Amount Insured: $500,000.00  
   LINS Loan O/S Principal: $500,000.00  
   Loan Maturity Date: 3/19/2024  
   Loan Status: Current

4. Borrower Name: Mountaineer Real Estate, Inc.  
   Financial Institution: Clear Mountain Bank  
   Total Loan Value: $2,484,802.19  
   Loan Amount Insured: $500,000.00  
   LINS Loan O/S Principal: $500,000.00  
   Loan Maturity Date: 10/22/2024  
   Loan Status: Current

5. Borrower Name: Supply Solutions, LLC  
   Financial Institution: Clear Mountain Bank  
   Total Loan Value: $816,813.08  
   Loan Amount Insured: $500,000.00  
   LINS Loan O/S Principal: $500,000.00  
   Loan Maturity Date: 6/24/2025  
   Loan Status: Current

6. Borrower Name: SmartVac Hydrovacs Ltd. Co.  
   Financial Institution: Citizens Bank of Weston  
   Total Loan Value: $188,019.78  
   Loan Amount Insured: $150,415.82  
   LINS Loan O/S Principal: $150,415.82  
   Loan Maturity Date: 7/20/2025  
   Loan Status: Current

7. Borrower Name: Old Cape Henry, LLC  
   Financial Institution: Poca Valley Bank
Total Loan Value: $499,728.12
Loan Amount Insured: $399,782.50
LINS Loan O/S Principal: $399,782.50
Loan Maturity Date: 8/9/2025
Loan Status: Current

8. Borrower Name: Classic Marble Company
Financial Institution: Poca Valley Bank
Total Loan Value: $147,279.81
Loan Amount Insured: $117,823.85
LINS Loan O/S Principal: $117,823.85
Loan Maturity Date: 12/3/2025
Loan Status: Current

9. Borrower Name: Classic Marble Company
Financial Institution: Poca Valley Bank
Total Loan Value: $139,258.25
Loan Amount Insured: $111,406.60
LINS Loan O/S Principal: $111,406.60
Loan Maturity Date: 12/3/2025
Loan Status: Current

10. Borrower Name: Medical Info Systems Tech, LLC
Financial Institution: First State Bank of Barboursville
Total Loan Value: $55,947.55
Loan Amount Insured: $50,352.80
LINS Loan O/S Principal: $50,352.80
Loan Maturity Date: 3/26/2026
Loan Status: Current

11. Borrower Name: Digital Connections, Inc.
Financial Institution: Clear Mountain Bank
Total Loan Value: $1,826,440.36
Loan Amount Insured: $1,461,152.29
LINS Loan O/S Principal: $1,461,152.29
Loan Maturity Date: 3/26/2028
Loan Status: Current

Listed below are paid off Loan Insurance commitments since last quarter:

1. Borrower Name: Cape Henry, LLC
Financial Institution: Poca Valley Bank
Total Loan Value: $241,264.17
Loan Amount Insured: $0.00
LINS Loan O/S Principal: $0.00
Loan Maturity Date: 4/10/2023
Loan Status: Paid in full

2. Borrower Name: Cape Henry, LLC
   Financial Institution: Poca Valley Bank
   Total Loan Value: $250,840.52
   Loan Amount Insured: $0.00
   LINS Loan O/S Principal: $0.00
   Loan Maturity Date: 1/24/2024
   Loan Status: Paid in full

Listed below is an approved LINS commitment that is pending the execution of the Standard Loan Insurance Agreement:

1. Borrower Name: NorthStar Technologies, LLC
   Financial Institution: Clear Mountain Bank
   Total Loan Value: $1,500,000.00
   Loan Amount Insured: $500,000.00
   LINS Loan O/S Principal: $0
   Loan Maturity Date: 
   Loan Status: WVEDA approved pending execution

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 June 30, 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  
June 2022 Loan Insurance Report

<table>
<thead>
<tr>
<th>Insured Projects:</th>
<th>Bank</th>
<th>Commitment Date</th>
<th>Closing Date</th>
<th>Original Amount</th>
<th>Insured %</th>
<th>Original Exposure</th>
<th>Outstanding Balance</th>
<th>Estimated Exposure</th>
<th>Insurance Expiration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Three Square, LLC</td>
<td>F1</td>
<td>9/18/2014</td>
<td>10/2/2014</td>
<td>199,000.00</td>
<td>90.00</td>
<td>179,100.00</td>
<td>96,207.28</td>
<td>86,586.55</td>
<td>10/2/2018</td>
</tr>
<tr>
<td>Osley Rich Sammons</td>
<td>QQ</td>
<td>10/18/2018</td>
<td>2/20/2019</td>
<td>300,000.00</td>
<td>80.00</td>
<td>240,000.00</td>
<td>47,067.51</td>
<td>37,654.01</td>
<td>2/20/2023</td>
</tr>
<tr>
<td>Magnolia Assisted Living, Inc.</td>
<td>QQ</td>
<td>9/19/2019</td>
<td>10/7/2019</td>
<td>520,000.00</td>
<td>80.00</td>
<td>416,000.00</td>
<td>489,805.10</td>
<td>391,844.08</td>
<td>10/7/2023</td>
</tr>
<tr>
<td>ABC Holding Company, LLC</td>
<td>QQ</td>
<td>2/20/2020</td>
<td>3/19/2020</td>
<td>1,000,000.00</td>
<td>80.00</td>
<td>500,000.00</td>
<td>971,419.58</td>
<td>500,000.00</td>
<td>3/19/2024</td>
</tr>
<tr>
<td>Mountaineer Real Estate, Inc.</td>
<td>PP</td>
<td>10/15/2020</td>
<td>10/22/2020</td>
<td>2,625,000.00</td>
<td>80.00</td>
<td>500,000.00</td>
<td>2,484,802.19</td>
<td>500,000.00</td>
<td>10/22/2024</td>
</tr>
<tr>
<td>Supply Solutions, LLC</td>
<td>PP</td>
<td>6/17/2021</td>
<td>6/24/2021</td>
<td>1,000,000.00</td>
<td>80.00</td>
<td>500,000.00</td>
<td>816,813.08</td>
<td>500,000.00</td>
<td>6/24/2025</td>
</tr>
<tr>
<td>SmartVac Hydrovac Ltd. Co.</td>
<td>Y</td>
<td>5/20/2021</td>
<td>7/20/2021</td>
<td>224,000.00</td>
<td>80.00</td>
<td>179,200.00</td>
<td>188,019.78</td>
<td>150,415.82</td>
<td>7/20/2025</td>
</tr>
<tr>
<td>Old Cape Henry, LLC</td>
<td>QQ</td>
<td>10/15/2020</td>
<td>8/9/2021</td>
<td>613,500.00</td>
<td>80.00</td>
<td>490,800.00</td>
<td>499,728.12</td>
<td>399,782.50</td>
<td>8/9/2025</td>
</tr>
<tr>
<td>Classic Marble Company</td>
<td>QQ</td>
<td>8/19/2021</td>
<td>12/3/2021</td>
<td>150,000.00</td>
<td>80.00</td>
<td>120,000.00</td>
<td>147,279.81</td>
<td>117,823.85</td>
<td>12/3/2025</td>
</tr>
<tr>
<td>Classic Marble Company</td>
<td>QQ</td>
<td>8/19/2021</td>
<td>12/3/2021</td>
<td>150,000.00</td>
<td>80.00</td>
<td>120,000.00</td>
<td>139,258.25</td>
<td>111,406.60</td>
<td>12/3/2025</td>
</tr>
<tr>
<td>Medical Info Systems Tech, LLC</td>
<td>FF</td>
<td>12/17/2008</td>
<td>1/13/2009</td>
<td>150,000.00</td>
<td>90.00</td>
<td>135,000.00</td>
<td>55,947.55</td>
<td>50,352.80</td>
<td>3/26/2026</td>
</tr>
<tr>
<td>Digital Connections, Inc.</td>
<td>PP</td>
<td>3/15/2018</td>
<td>3/26/2018</td>
<td>2,800,000.00</td>
<td>80.00</td>
<td>2,240,000.00</td>
<td>1,826,440.36</td>
<td>1,461,152.29</td>
<td>3/26/2026</td>
</tr>
<tr>
<td>NorthStar Technologies, LLC</td>
<td>PP</td>
<td>5/26/2022</td>
<td></td>
<td>1,500,000.00</td>
<td>80.00</td>
<td>500,000.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$11,231,500.00</strong></td>
<td></td>
<td><strong>$6,120,100.00</strong></td>
<td><strong>$7,762,788.61</strong></td>
<td><strong>$4,307,018.49</strong></td>
<td></td>
</tr>
</tbody>
</table>

Uncommitted Funds Available (Estimated Exposure - LINS Funds Available) $1,909,065.02

MAXIMUM STATUTORY LEVERAGE (five times LINS Funds Available) $31,080,417.55

ORIGINAL EXPOSURE (TOTAL Original Exposure/Maximum Statutory Leverage) 19.69%

ESTIMATED EXPOSURE (TOTAL Estimated Exposure/Maximum Statutory Leverage) 13.86%
### CLAIMS PAID

<table>
<thead>
<tr>
<th>PROJECT/BUSINESS NAME</th>
<th>BANK CODE</th>
<th>BANK</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hinton Hardwoods</td>
<td>S</td>
<td>City National Bank</td>
<td>5141,076.47</td>
</tr>
<tr>
<td>Morgan Shirt</td>
<td>C2</td>
<td>Huntington Bank WV, Morgantown</td>
<td>107,900.68</td>
</tr>
<tr>
<td>Bob Bennett Ford</td>
<td>C2</td>
<td>Huntington Bank WV, Morgantown</td>
<td>52,737.96</td>
</tr>
<tr>
<td>O’Neal’s Bakery</td>
<td>T</td>
<td>Rock Branch Community Bank</td>
<td>23,246.00</td>
</tr>
<tr>
<td>Mt. State Moulding</td>
<td>R</td>
<td>Belington Bank</td>
<td>101,266.64</td>
</tr>
<tr>
<td>Cotton Shootin</td>
<td>N2</td>
<td>One Valley Bank, NA, Huntington (BB&amp;T)</td>
<td>36,800.00</td>
</tr>
<tr>
<td>Stonewall Jackson State Park</td>
<td>W</td>
<td>WVEDA Comm’s Develop Rev Bonds Series 2000-A &amp; 2000-B</td>
<td>1,000,000.00</td>
</tr>
<tr>
<td>Magnagraphics, Inc.</td>
<td>Z</td>
<td>Williamstown National Bank</td>
<td>16,294.85</td>
</tr>
<tr>
<td>Sequelle Communications</td>
<td>F1</td>
<td>United Bank</td>
<td>72,481.84</td>
</tr>
<tr>
<td>Capredoni</td>
<td>CC</td>
<td>BB&amp;T</td>
<td>125,899.12</td>
</tr>
<tr>
<td>Santiago</td>
<td>DD</td>
<td>Monongahela Valley Bank, Inc.</td>
<td>101,160.60</td>
</tr>
<tr>
<td>Western Greenbrier Co-Generation, LLC</td>
<td>BR</td>
<td>PNB of Ranchever</td>
<td>3,000,000.00</td>
</tr>
<tr>
<td>Santiago</td>
<td>O4</td>
<td>Bank One West Virginia, NA, Clarksburg</td>
<td>45,794.88</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>54,824,649.04</strong></td>
</tr>
</tbody>
</table>

### BANK CODE

<table>
<thead>
<tr>
<th>BANK CODE</th>
<th>BANK NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>F1</td>
<td>United National Bank, Parkersburg</td>
</tr>
<tr>
<td>V</td>
<td>Citizens Bank of Weston</td>
</tr>
<tr>
<td>FF</td>
<td>First State Bank of Barboursville</td>
</tr>
<tr>
<td>PP</td>
<td>Clear Mountain Bank</td>
</tr>
<tr>
<td>QQ</td>
<td>Poca Valley Bank</td>
</tr>
</tbody>
</table>