

AmeriBag loan

Todd Ravinett <todd@ameribag.com>

Tue 4/25/2017 12:42 PM

To: oed <oed@co.ulster.ny.us>;

Hi Suzanne,

It was good speaking with you. As I explained in our conversation, we have accepted an offer to sell our building on Kukuk Lane. We are targeting a closing date of May 31 on the sale and are planning on moving our offices down the street into the Besicorp building. As you are aware, in 2010 AmeriBag took out a loan from UCDC in the amount of \$150,000, there is currently roughly \$27,000 remaining. We have never missed a payment on this obligation. In addition to a lean on the building, the loan is supported by the assets of AmeriBag Inc. and by personal guarantees from the three owners.

Upon the sale of the building it is our intent to reinvest the proceeds into the business. So we would like to request that the board approve a release of lean on the building allowing us to complete the sale. We will continue paying off the loan as per schedule.

Thank you for your help in this matter.

Sincerely,

Todd Ravinett
President, AmeriBag, Inc.

Ulster County Economic Development Alliance Ulster County Revolving Loan Fund Loan Committee Report

Applicant:
ORGANIC NECTARS LLC

Date of Application:
4/17/2017

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1.0 APPLICATION SUMMARY

BORROWER: Organic Nectars LLC
 Lisa Protter
 [REDACTED]
 [REDACTED]
 Phone # [REDACTED]

LOAN AMOUNT: \$42,000

RATE: 4% **TERM:** 4 years

<u>Use of Funds</u>	<u>RLF Loan</u>	<u>Equity</u>	<u>Bank/Other</u>	<u>Total</u>
Purchase of capital equipment	\$42,000	\$15,000	\$0	\$57,000
TOTALS	\$42,000	\$15,000	\$0	\$57,000

- Security**
- A) UCC-1 filing on equipment purchased with loan proceeds
 - B) Second lien on additional existing capital equipment
 - C) Personal guarantee by Lisa Protter

Jobs:

Existing:	3 full time	0 part-time	3 FTE
New:	1 full-time	1 part-time	1.5 FTE

2.0 PROJECT OVERVIEW

Organic Nectars LLC was founded in 2004 by Lisa Protter with the goal of offering a small, select quantity of only the very finest raw products that are truly healthy, environmentally friendly and, of course, delicious. From raw, low glycemic agave sweeteners and dessert syrups to agave cashew crème gelato to extra virgin olive oil, gojiberries and raw cacao products, Organic Nectars is dedicated to delivering the finest quality artisanal food products.

Organic Nectars is poised to capitalize on a growing consumer demand for delicious and indulgent foods that meet a wide range of modern dietary preferences, including: organic/natural/GMO-free, plant-based, dairy-free, gluten-free, low-calorie/low-sugar, kosher and more. The estimated value of the organic food market segment has grown nearly 14% per year since 2000, and now represents total purchases of over \$32 billion.

[REDACTED]

As Lisa leads the company on a path toward expansion, she has developed plans and projections that involve the need for increased capital.

[REDACTED] approached the Ulster County Revolving Loan Fund to request a loan in the amount of \$42,000.

Coupled with a commitment of the business' own cash [REDACTED], this loan would allow Organic Nectars to purchase [REDACTED]. This equipment would contribute to increased throughput in the company's production process, allowing it to satisfy larger orders from existing customers who have expressed an interest in additional product. This purchase will advance the company's larger plans for growth [REDACTED].

2.1 Description of the Company and the Principals

BORROWER NAME: Organic Nectars LLC
ADDRESS: [REDACTED]
PHONE #: 845-246-0506 **FAX #:** 845-246-0508
TAX ID#: [REDACTED]

Organizational Structure: S Corp

[REDACTED]

2.2 Owners and Key Management

Name:	Lisa Protter
Address:	[REDACTED]
Phone #:	[REDACTED]
SS#:	[REDACTED]
% Owned:	100%
Title/Role in Business:	President/CEO

See application packet for resume of Lisa Protter.

2.3 Company Operations

The leadership team at Organic Nectars includes Lisa Protter, President/CEO (see resume in application materials) [REDACTED]

Organic Nectars produces four main product lines at its facility in Saugerties.

- Cashewtopia® - the world’s first organic dairy-free cashew-based frozen dessert
- Dessert Syrups and Beverage Flavors – world’s first organic dairy-free alternative sweetener-flavored syrups
- Alternative Organic Sweeteners – delicious and nutritious low-glycemic organic sweeteners
- Raw Cacao Coconut Sugar Chocolates – world’s first organic dairy-free coconut sugar chocolates

The company is past recipient of numerous awards and accolades, including two consecutive soft™ GOLD Awards, the specialty food industry’s most coveted honor, and “best raw ice cream” and “favorite vegan ice cream” in VegNews, the nation’s leading magazine for the vegetarian lifestyle.

Organic Nectars’ products enjoy wide distribution – regionally and nationally – through grocery/specialty/natural food stores, restaurants and food service institutions. [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED]

3.0 PROPOSED USES OF FUNDS

The company proposes to use the proceeds of funds from the UCRLF for the purchase of three pieces of production equipment:

[REDACTED]

The company's equity portion of the project will cover delivery and installation of the equipment above,

[REDACTED]

Uses	Amount
Capital equipment purchases	\$52,000
Working capital	\$5,000
Total Uses	\$57,000

FinancialAnalysis_OrganicNectars_FINAL.xls

4.0 PROPOSED SOURCES OF FUNDS

The Company is seeking funding from two sources, including the UCRLF and NYBDC (SBA loan). It is anticipated that all sources will be debt financing.

Source	Amount	Partic. %	Interest Rate	Term (years)	Est. Monthly P+I Payment*	Est. Annual P+I Payment*
UCRLF (term loan)	\$42,000	74%	4.00%	4	(\$948.32)	(\$11,379.84)
Owner Equity	\$15,000	26%	0.00%	0		
Total Sources	\$57,000				(\$948.32)	(\$11,379.84)

FinancialAnalysis_OrganicNectars_FINAL.xls

* For LoC, assumes interest-only payments, ** Assumes full amount is drawn each year

*** Note: Terms for all sources subject to change until final commitments are issued by lenders.**

5.0 UNDERWRITING REPORT

Based on analysis of the Company’s financials and other information provided in the loan application, this borrower’s request was evaluated to determine its classification under UCEDA’s “Underwriting Criteria for Ulster County Loan Funds.”

Our analysis indicates that **the project is classified as IA+**. This classification indicates that the loan exceeds the underwriting criteria, and that there is a high degree of confidence that the loan will be repaid.

Adjusted Cash Flow		Discounted Collateral		Adjusted PNW	
CLASS	QUALITY	CLASS	QUALITY	CLASS	QUALITY
I	Existing CF is $\geq 1.0 : 1$	A	1.0+ : 1	+	\geq loan amt.
II	Projected CF is $\geq 1.0 : 1$	B	.85 to 1.0 : 1	-	< loan amt.
III	Secondary (non-SBC) Source of Repayment	C	$\leq .84 : 1$		

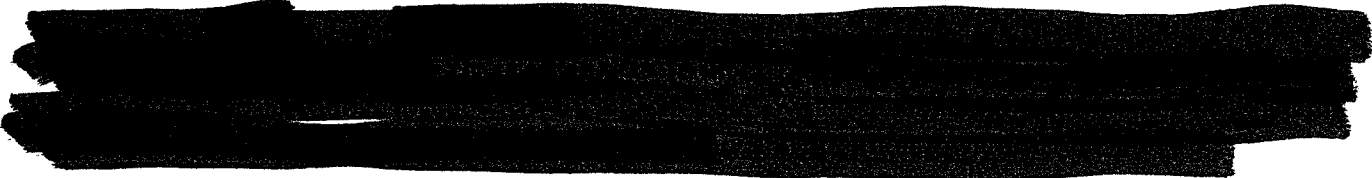
5.1 Adjusted Cash Flow Analysis & Coverage

Based on the “Underwriting Criteria for Ulster County Loan Funds,” Adjusted Existing Cash Flow is calculated as follows:

$$\text{Earnings Before Taxes} + \text{Depreciation} + \text{Interest Payments} = \text{Adjusted Existing Cash Flow}$$

In order to be classified as a “Class I” deal, the guidelines state that the Cash Flow Coverage Ratio must be $\geq 1:1$, or, stated another way, that the Adjusted Existing Cash Flow must be greater than or equal to the total debt service payments.

$$\text{Cash Flow Coverage} = \text{Adjusted Existing Cash Flow} \div \text{All Proposed Debt Service (P+I)}$$



Statement of Cash Flows	ACTUAL		
	2014	2015	2016
Earnings Before Taxes	[REDACTED]	[REDACTED]	[REDACTED]
+ Depreciation	[REDACTED]	[REDACTED]	[REDACTED]
+ Interest Expense	[REDACTED]	[REDACTED]	[REDACTED]
Adjusted Existing/Projected Cash Flow	[REDACTED]	[REDACTED]	[REDACTED]
Debt Service			
UCRLF	[REDACTED]	[REDACTED]	[REDACTED]
Other existing debt service	[REDACTED]	[REDACTED]	[REDACTED]
Total Cash for Debt Service	[REDACTED]	[REDACTED]	[REDACTED]
Cash flow margin	[REDACTED]	[REDACTED]	[REDACTED]
Cash flow coverage	[REDACTED]	[REDACTED]	[REDACTED]

FinancialAnalysis_OrganicNectars_FINAL2.xls

Since the adjusted existing cash flow is greater than the total proposed debt service, the underwriting criteria indicate that this project is classified as a **“Class I”** deal.

Since cash flow in 2014 was insufficient to cover the proposed payments to the UCRLF, it is prudent and necessary to explore the Company’s projected future financial performance. The table below shows that over the next three years, the Company expects to generate sufficient cash to cover debt service obligations.

Statement of Cash Flows	PROJECTED		
	2017	2018	2019
Earnings Before Taxes	[REDACTED]	[REDACTED]	[REDACTED]
+ Depreciation	[REDACTED]	[REDACTED]	[REDACTED]
+ Interest Expense	[REDACTED]	[REDACTED]	[REDACTED]
Adjusted Existing/Projected Cash Flow	[REDACTED]	[REDACTED]	[REDACTED]
Debt Service			
UCRLF	[REDACTED]	[REDACTED]	[REDACTED]
Other existing debt service	[REDACTED]	[REDACTED]	[REDACTED]
Total Cash for Debt Service	[REDACTED]	[REDACTED]	[REDACTED]
Cash flow margin	[REDACTED]	[REDACTED]	[REDACTED]
Cash flow coverage	[REDACTED]	[REDACTED]	[REDACTED]

FinancialAnalysis_OrganicNectars_FINAL2.xls

5.2 Value of Proposed Collateral

This loan is secured by the following collateral:

- a) Lien (first position) on equipment purchased with loan proceeds
- b) Lien (first position) on other business assets

c) Personal guarantee by Lisa Protter

Based on the "Underwriting Criteria for Ulster County Loan Funds," the adjusted value of the proposed collateral is [REDACTED]

Collateral

Asset	Type (See UW Guidelines)	Fair Market Value	Prior Lien Loan Amt	Available Value	Discount Rate	Discounted Value
New capital equipment		[REDACTED]	\$0	[REDACTED]	50%	[REDACTED]
Existing capital equipment		[REDACTED]	\$0	[REDACTED]	50%	[REDACTED]
Accounts Receivable		[REDACTED]	\$0	[REDACTED]	80%	[REDACTED]
Inventory		[REDACTED]	\$0	[REDACTED]	80%	[REDACTED]
						[REDACTED]
						[REDACTED]
Total Collateral Value						[REDACTED]

Value of UCRLF Loan	[REDACTED]
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Excess Collateral Value	[REDACTED]
--------------------------------	------------

Coverage Ratio (LTV)	[REDACTED]
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FinancialAnalysis_OrganicNectars_FINAL2.xls

Since the value of the collateral is in excess of the value of the loan amount, this project's collateral value is **classified as "A."**

5.3 Net Worth of Guarantors

Name	Stated Net Worth	Adjusted Net Worth	Credit Score
Lisa Protter	[REDACTED]	[REDACTED]	[REDACTED]

Since the adjusted net worth of the guarantors is in excess of the loan value, the adjusted personal net worth is **classified as "+."**

6.0 CONCLUSION

The application from Organic Nectars exceeds the underwriting criteria set forth by the Ulster County Revolving Loan Fund, with a classification of IA+, the highest rating possible under the UCRLF's criteria.

Lisa Protter, the owner of Organic Nectars, is highly committed to the growth of the company. She is seeking investors [REDACTED] to facilitate a major expansion of production, marketing and sales. With that investment, Lisa is confident that the Company will grow dramatically in the next several years. [REDACTED]

With a modest investment from the Ulster County Revolving Loan Fund, Organic Nectars will solidify its current level of production while it pursues its larger investment goals. Since the Company's application meets the UCRLF's underwriting guidelines, creates jobs, and supports the expansion of a company that fits within one of the County's target industry clusters, this appears to be a solid loan application.

7.0 APPLICATION TRACKING SUMMARY

Applicant Name:	Lisa Protter				
Business Name:	Organic Nectars, Inc.				
Initial Inquiry Date:	3/30/2017	Loan Amount:	\$45,000		
Initial Application Date:	3/31/2017	Loan Fund(s):	UCRLF		
Loan Purpose:	\$45,000 for purchase of equipment to expand production, as part of larger capital raise of approximately \$600,000. Other sources/uses described in application.				
Office of Economic Development Tasks			Underwriting Tasks		
<i>Task</i>	<i>Date</i>	<i>Initials</i>	<i>Task</i>	<i>Date</i>	<i>Initials</i>
App received	3/31/2017				
App forwarded to UW	4/5/2017		App received by UW	4/5/2017	
			Questions due	4/12/2017	
Questions received by OED	4/12/2017		Questions sent to OED	4/12/2017	
Questions sent to Applicant	4/14/2017				
Response rec'd	4/17/2017				
Application finalized	4/17/2017				
Response due to UW	4/17/2017		Response received	4/17/2017	
			Determination due	4/18/2017	
			UW Determination	Approved	
Applicant notified					
Determination due	5/30/2017				
RLF Meeting Date	5/11/2017				
EDA Meeting Date	TBD				
RLF Recommendation	Approve / Deny				
EDA Determination	Approve / Deny				
USDA Determination Due	N/A				
USDA Determination	Approve / Deny				



ULSTER COUNTY USDA INTERMEDIARY RELENDING PROGRAM LOAN FUND APPLICATION FOR FINANCIAL ASSISTANCE

Tim Weidemann
 fx: 845
 943
 4108

ULSTER COUNTY ECONOMIC DEVELOPMENT - ALLIANCE

SECTION I. APPLICATION/PERSONAL INFORMATION

Name: Lisa Proffer
 Address: [REDACTED]
[REDACTED]
 Telephone: [REDACTED] Fax: _____ Email: [REDACTED]

SECTION II. INFORMATION ABOUT YOUR BUSINESS, EMPLOYEES AND BUSINESS LOCATION

Name of Business: Organic Needs, Inc.
 Address of Business: Box 158
Malden, NY 12453
 Business Telephone: 845-246-0506 Business Fax: 845-246-0508
 Type of Business: manufacturing
 Date Established: 2005
 Date of Incorporation: S corp - 2014
 Federal ID Number: [REDACTED]
 Social Security Number: [REDACTED]

Bank Where Your Business Has An Account

Name of Bank: [REDACTED]
 Address of Bank: [REDACTED]
[REDACTED]
 Telephone: [REDACTED]

Number of Employees Presently Employed: Full Time 3 Part Time: _____ FTE: _____
 Current Jobs Retained After Project: Full Time: 3 Part Time: _____ FTE: _____
 Jobs Created After Project: Full Time: 4 Part Time: 1 FTE: _____

*This institution is an equal opportunity provider, employer and lender.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9892 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

SECTION III. INFORMATION ABOUT MANAGEMENT

List the names of all owners (having 20% or greater interest), officers, directors, and/or partners. Provide the percent of ownership and the annual compensation. If more space is required attach a separate sheet.

Name and Title: Lisa Prohier, President

Address: [REDACTED]

[REDACTED]

Telephone: [REDACTED]

Percent of Ownership: _____ Annual Compensation: _____

Name and Title: _____

Address: _____

Telephone: _____

Percent of Ownership: _____ Annual Compensation: _____

SECTION IV. SUMMARY OF COLLATERAL

All loans made through the Revolving Loan Fund are secured. Please list items to be secured. Prior to closing, you will be required to provide an appraisal and deed for real property; or a list of make, model, serial number and appraised value for machinery, equipment, furniture or fixtures.

	Present Market Value	Present Lien or Mortgage Balance	Date Purchased	Notes
A) Land and Building	\$	\$	/ /	
B) Machinery and Equipment	\$ [REDACTED]	\$ N/A	/ / varied	
C) Furniture and Fixtures	\$	\$	/ /	
D) Personal Residence	\$	\$	/ /	
E) Other	\$	\$	/ /	
Total Collateral Offered	\$ [REDACTED]	\$		

SECTION V. SOURCES AND USES OF FUNDS FOR PROJECT

PROJECT BUDGET - SUMMARY OF PROPOSED EXPENDITURES

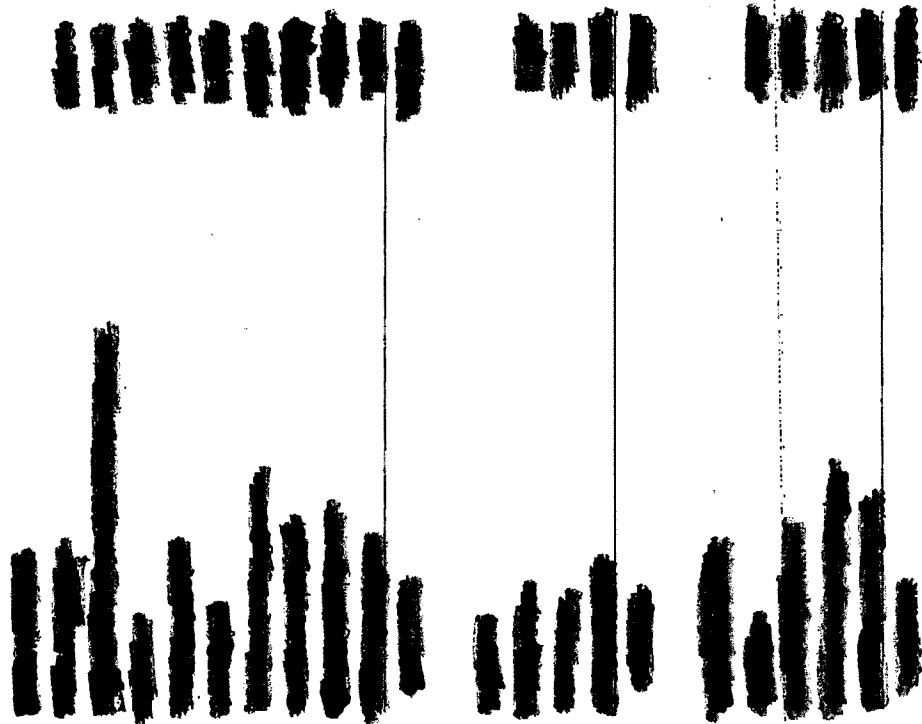
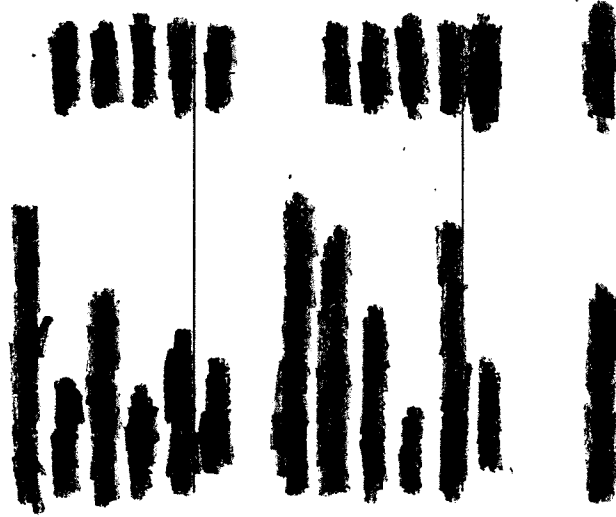
Use of Funds	Source of Funds			Total
	Loan Fund	Owner Equity	Bank / Other (Specify)	
Land Acquisition				
Clearance and Demolition				
Streets / Site Improvements, Parking Facilities				
Water / Sewer Facilities				
Buildings ___ Acquisition				
* ___ Construct ___ Renovate/Reconstruct			13,500	
* Capital Equipment ___ New ___ Used	42,000	15,000	99,200	
Furniture and Fixtures ___ New ___ Used				
* Professional Fees			145,200	
* Working Capital (attach a detailed list)			260,000	
Contingencies (attach a detailed list)				
TOTAL PROJECT COSTS	\$		\$	\$ 574,900

Total Project Cost

Term of Loan Requested: 4 years/months



Use of Proceeds Budget



PERSONAL FINANCIAL STATEMENT

Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock and each corporate officer and director, or (4) any other person or entity providing a guaranty on the loan.

Name: Liso Protter

Residence Address: [REDACTED]

City, State & Zip Code: [REDACTED]

Business Name of Applicant/Borrower: Organic Nectars

ASSETS

Cash on hand & in Banks _____
 Savings Accounts _____
 IRA or Other Retirement Account _____
 Accounts & Notes Receivable _____
 Life Insurance-Cash Surrender Value Only _____
 (Complete Section 8) _____
 Stocks and Bonds _____
 (Describe in Section 3) _____
 Real Estate _____
 (Describe in Section 4) _____
 Automobile-Present Value _____
 Other Personal Property _____
 (Describe in Section 5) _____
 Other Assets _____
 (Describe in Section 5) _____

Total Assets _____

LIABILITIES

Accounts Payable _____
 Notes Payable to Banks and others _____
 (Describe in Section 2) _____
 Installment Accounts (Auto) _____

 Installment Accounts (Other) _____

 Loan on Life Insurance _____
 Mortgages on Real Estate _____
 (Describe in Section 4) _____
 Unpaid Taxes _____
 (Describe in Section 6) _____
 Other Liabilities _____
 (Describe in Section 7) _____

Total Liabilities _____

Section 1. (Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward income.)

Salary _____
 Net Investment Income _____
 Real Estate Income _____
 Other Income (Describe Below) _____

Net Worth _____
 As Endorser or Co-Maker _____
 Legal Claims & Judgments _____
 Provision for Federal Income Tax _____
 Other Special Debt _____

Description of other income:

Section 2

NOTES PAYABLE TO BANKS AND OTHERS

Name and Address Of Note Holder	Original Balance	Current Balance	Payment Amount	Frequency (Monthly, etc.)	How Secured Or Endorsed Type of Collateral

Section 3

STOCKS AND BONDS

Number of Share	Name of Securities	Cost	Market Value Quotation/ Exchange	Date of Quotation/ Exchange	Total Value

Section 4

REAL ESTATE OWNED

	Property A	Property B	Property C
Type of Property			
Name & Address of Title Holder	[REDACTED]		
Date Purchased	Lisa Proffer		
Original Cost	2002		
Present Market Value	[REDACTED]		
Name and Address of Mortgage Holder	[REDACTED]		
Mortgage Account Number	[REDACTED]		
Mortgage Balance:	[REDACTED]		
Payment Amount per Month/Year	[REDACTED]		
Status of Mortgage	current		

Section 5.

Other Personal Property and Assets: (Describe, and if any is pledged as security, state name and address of lien holder amount of lien, terms of payment, and if delinquent, describe delinquency).

N/A

Section 6.

Unpaid Taxes: (Describe in detail, type, to whom payable, when due, and to what property, if any, attach tax lien)

N/A

Section 7.

Other Liabilities: (Describe in detail)




N/A

Section 8.

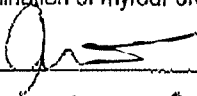
Life Insurance Held: (Give face amount and cash surrender value of policies - name of insurance company and beneficiaries)

~~XXXXXXXXXX~~ [REDACTED]

PERSONAL FINANCIAL STATEMENT

1. Have you ever gone through bankruptcy or comprised a debt?
If YES, Please attach an explanatory statement. 
2. If this is a statement of you and your spouse, are any assets a spouse's separate property?
If YES, Please attach an explanatory statement. 
3. Are any assets pledged or debts secured except as shown above?
If YES, Please attach an explanatory statement 

The information contained in this statement is provided for the purpose of obtaining a loan from funding programs on my/our behalf or on behalf of firms or corporations in whose behalf I/we may, either severally or jointly with others, execute a guaranty in favor of the funding program. I/We understand that this information, including the designation made as to ownership of the property will be used in deciding to grant or continue credit. I/We certify that the information provided is true and complete to the best of my/our knowledge. I/we authorize the loan fund administrator to check my/our credit history and employment listing or to make all other inquiries you deem necessary to verify the accuracy of the statements made on this form in the determination of my/our credit-worthiness and answer questions about or report my/our credit experience.



Signature
LISA PRATER

Printed Name

3/31/07



Social Security Number

Signature (Joint Applicant)

Printed Name (Joint Applicant)

Date

Social Security Number (Joint Applicant)

APPLICATION FORMS & INFORMATION COLLECTION REQUIREMENTS

All recipients, other than those using guarantee programs, are required to collect data on race/ethnic and gender of users of beneficiaries.

Application form must include below the signature and date block the following disclosure statements: (rev. 1/2001 as per Fed. Register Vol. 62 No. 210)

"The following information is requested by the Federal Government in order to monitor compliance with Federal Laws prohibiting discrimination against applicants seeking to participate in the program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you chose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname."

Ethnicity:

Hispanic or Latino _____
Not Hispanic or Latino

Race: (Mark one or more)

White Black or African American _____
American Indian/Alaska Native _____ Asian _____
Native Hawaiian or Other Pacific Islander _____

Gender: Male _____ Female