Investing for the Future
Since 1992



People inc.

Financial Services

"The dream of owning a business is an important driver of our economy. People Incorporated's microenterprise program is designed for small businesses starting with five or fewer employees and a need for $50,000 or less in starting capital. That profile represents the majority of start-up businesses in the Commonwealth and in the rest of the nation."

—Welthy Soni-Myers
People Incorporated BusinesStart Program Director, 1993–2000



Founding BusinesStart Program Director Welthy Soni-Meyers at Heartwood: Southwest Virginia's Artisan Gateway, a People Incorporated project completed in 2011.

Foundations

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THE MISSION: People Incorporated Financial Services is committed to promoting the economic self-sufficiency and a better quality of life for the citizens of the region through small business ownership, job creation, and asset development. In support of this goal, People Incorporated Financial Services provides business and financial literacy training, individual technical assistance, marketing services and access to credit to entrepreneurs and others throughout the region.

People inc.
Financial Services

An investment in leadership



Rob Goldsmith, President and CEO of People Incorpated, has provided vision and leadership for People Incorporated Financial Services throughout these first twenty years of community-building.

It's hard to believe it has been 20 years since the inception of this initiative; it seems more like a few days or forever. With this idea, put forward in 1990 and developed through a year of needs assessment and planning, we made our first loan in 1992.

In 1995, we provided Chad Miano, featured on page 5, with business training and a $25,000 loan to buy two horses to start a horse logging business—an environmentally friendly way to remove logs from fragile mountain locations. Since that time we both have done well with our endeavors. Chad paid off his loan, added seven horses, created jobs, and recently supplied the hickory logs for the flooring for Heartwood, which we built.

As you will see in these pages, People Inc.'s BusinesStart microenterprise program has evolved over the last 20 years. Now as People Incorporated Financial Services, a certified Community Development Financial Institution, it has enabled 502 entrepreneurs to start or expand their businesses through training, advice and loans. Our consumer loan service has financed 752 cars and offers individuals an alternative to payday lenders. We administer the Ninth District Development Financing, a tourism development loan fund. And, with New Markets Tax Credits, we can now facilitate much larger enterprise start-ups.

To date, 5,360 people have directly benefited from these services, but the far-reaching impact of the businesses built and nurtured is much greater than we can measure.

Robert G. Goldsmith, *President and C.E.O., People Incorporated*

Investing for the future since 1992



Throughout its first twenty years, People Incorporated Financial Services has assisted more than 470 Virginia businesses with small business startup and expansion loans. In 2011, the organization became the administrator for the Bristol Downtown Revitalization Loan Fund, bringing business development services and loans across the Virginia/Tennessee border for the first time. Brian and Marie Bridgeforth of Bridgeforth Design Studio are program participants.

"Starting a business was overwhelming. Fortunately, People Incorporated Financial Services was there for us at every turn—from financing to accounting help. That left us free to focus on building our new business, instead of worrying about it. We honestly couldn't have opened our doors without People Incorporated."

—Brian and Marie Bridgeforth,
Bridgeforth Design Studio, Bristol, Tennessee

Microenterprise Development Loans

By assisting entrepreneurs who are not eligible for traditional loans through banks, but whose businesses show potential for growth and success, employment opportunities are created. Begun as BusinesStart in 1992, People Incorporated Financial Services' microenterprise development loan program promotes small business entrepreneurship by offering comprehensive business development services and loans to fund small and emerging businesses. These growing businesses are creating jobs for residents, promoting economic self-sufficiency, encouraging economic growth, and keeping our economy healthy.

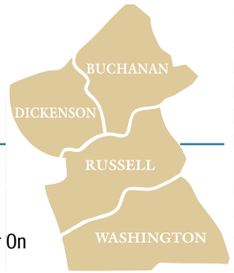


Chad Miano received a People Incorporated business loan in 1995. Eighteen years later, hickory flooring that he logged out can be seen in Heartwood: Southwest Virginia's Artisan Gateway, constructed by People Incorporated.

1992



1992, Welthy Soni-Myers with Bill Shelton, Director for Center On Rural Development at VDHCD.



1992, BusinesStart established as the First Microenterprise Development program in Virginia. Community Development Block Grant funds for Washington, Dickenson, and Buchanan County provide initial capitalization for the project.

First business loan made to Turner Paving, 1993.





1993, Program Director Welthy Soni-Myers and CEO Rob Goldsmith receive BusinesStart grant from Levi Strauss.

SBA

1994, Becomes SBA Microloan Intermediary.



1995
Chad Miano receives start-up loan.



Business Development Services

"When I started out, all I had was an idea. People Incorporated helped me turn my dream into a reality when no one else seemed to care. All they wanted to know was: what was my idea, and how could they help me?"

—Marla Edwards, Crooked Road General Store

People Incorporated continues to focus on making its clients more successful by providing business technical assistance, training and instruction. The three-hour Business Basics training class helps participants make a decision about the next steps in planning their business. Core Four®, a nationally recognized curriculum, helps clients develop their business plan with Success Planning, Market Planning, Cash Flow Planning and Operations Planning.

Building upon the importance of technical assistance in business, People Incorporated has developed four classes of general interest for lower income individuals. Topics include banking, personal budgeting, credit reports and repairing credit, social media and customer service training. Business Technical Assistance and Entrepreneurial Coaching topics include business management, personal support and coaching, financial literacy, and more. All staff are certified Credit Counselors.



"People Incorporated has been a vital part of our growth and success."

—Chef Richard Erskine
Southeast Culinary & Hospitality College



Feature 1999

Appalachia, the former *Journal of the Appalachian Regional Commission*, featured People's BusinesStart's Business Basic classes in "Starting with the Business Basics," a 1999 article by Carl Hoffman. At that time, BusinesStart was only 6 years old, but it had already created an impressive track record in its brief history by providing Business Basics training to 1,400 people, loaning $1.6 million averaging $14,000 per loan, and financing some 380 businesses and 1,000 jobs, generating about $1 million a month in goods and services.

Local entrepreneurs, Sonja Thornsberry, Family Motor Sales, and Rod Wicker, Wicker's Manna restaurant, were highlighted as typical of the entrepreneurs BusinesStart helped. Their positive experiences with BusinesStart were similar. Both benefited from financial help and business expertise.

1995

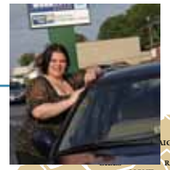
Virginia Enterprise Initiative

People Inc. becomes an inaugural Virginia Enterprise Initiative grantee.



1995, Appalmade program provides opportunities for Appalachian artists.

1998, Cars for Work, precursor to Consumer Loan program, begins, serving 41 clients in 1998.



1997, People Incorporated becomes administrator for Ninth District Development Financing Inc.



1998, BusinesStart entrepreneur Sonja Thornsberry, President of Family Motors, Inc. shares the podium with First Lady Hillary Rodham Clinton at the Association of Enterprise Opportunity meeting. Thornsberry described the role BusinesStart played in helping her turn the once-fledgling business into a success.

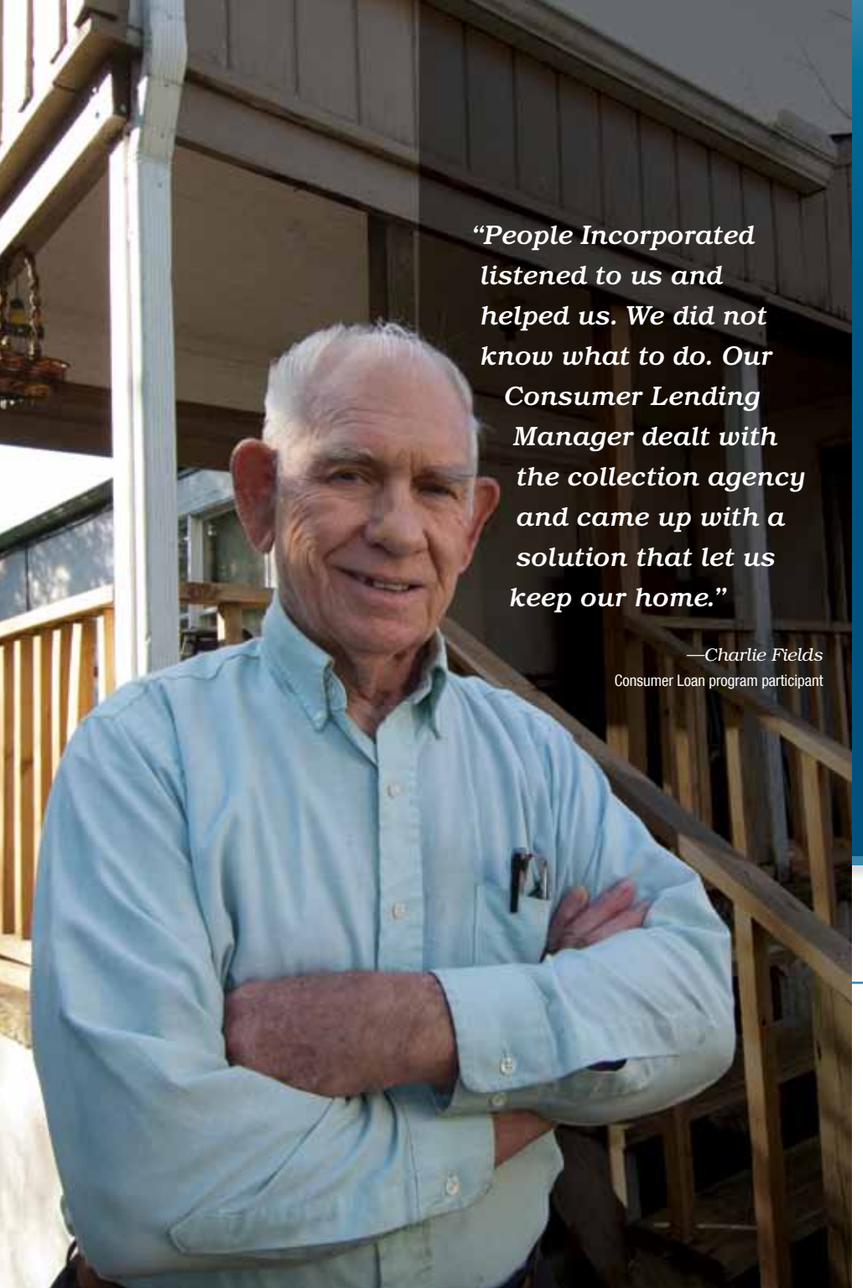


1999, IDA (Individual Development Account) savings program begins.





1999, Larry Hines Land and Auction Co. named BusinesStart business of the year.



"People Incorporated listened to us and helped us. We did not know what to do. Our Consumer Lending Manager dealt with the collection agency and came up with a solution that let us keep our home."

—Charlie Fields
Consumer Loan program participant

Veteran Charlie Fields and his disabled wife, Virginia, bought their home in 2006 with an adjustable 30-year mortgage. Within a few years, their mortgage had been sold four times and their payments increased dramatically. With medical bills to pay and limited income, they were facing foreclosure. People Incorporated mediated with the collection agency and helped the Fields navigate through the paperwork. They now have a manageable monthly payment that will be paid off in two years' time.

Consumer Lending

People Incorporated's first consumer lending product was the acclaimed Cars for Work program, which provided zero interest car loans to 716 eligible individuals requiring transportation to maintain or gain employment from 1998–2008.

In 2008, People Incorporated expanded services to a more comprehensive Consumer Lending program. What began as a loan fund to primarily provide an affordable alternative to payday lenders, has become a well-known source of socially responsible consumer lending that offers financial assistance, flexible terms, and a second chance.

The Consumer Lending program offers financial alternatives to those who do not currently have access to savings for immediate needs. Concurrently, the program builds a client's financial knowledge and skills, makes the un- and underbanked bankable, promotes personal asset building, and strengthens families and communities.



Vickie Booker received a consumer loan in March 2010 to organize her finances as she looks toward homeownership.

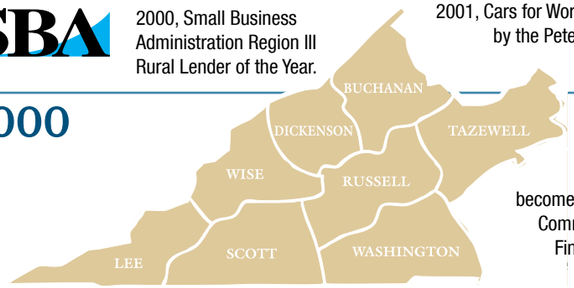


RICHMOND TIMES-DISPATCH

2000, Phil Black, (right) Program Director of BusinesStart from 2000 to 2006, pictured at Appalmade shop with Rob Goldsmith (left) and Appalmade Director Betty Hurst.

2000

2000, Small Business Administration Region III Rural Lender of the Year.



2001, Cars for Work program recognized by the Peter F. Drucker Award for Non-profit Innovation.

2001, BusinesStart becomes Southwest Virginia Community Development Financing Incorporated.



Jennifer Price-Cordle, Cars for Work client.

2003, certified as Community Development Financing Institution by U.S. Treasury.

Building Tourism in the 9th District



Rick Boucher

Consumer Electronics Association

Ninth District Development Financing, Inc. is the secret ingredient in the economic development recipe for Southwest Virginia's ninth congressional district. Since 1995, when U.S. Congressman Rick Boucher spearheaded its creation, this remarkable funding source has jump-started regional tourism-related businesses in a big way. By supporting local efforts through working capital and fixed asset financing, Ninth District Development Financing works to create new jobs, while preserving and enhancing the region's cultural, historical, and natural attractions for visitors and residents alike. Ninth District Development Financing success stories include: the Breaks Interstate Park Conference Center; Barter Theatre's 2003 expansion in Abingdon, Virginia; Chateau Morrisette vineyards, winery, and restaurant in Floyd, Virginia (2004) and Floyd Village Square revitalization, Floyd, Virginia (2009).



Barter Theatre, Barter Stage II and Café , Abingdon, Virginia.



Breaks Interstate Park Conference Center (Virginia/Kentucky) received Ninth District Development Financing.

"Ninth District Development Financing, Inc. partners with other funding sources to support vital tourism projects in our communities. Since its inception in 1994, this program has created or retained 312 jobs and released $4.2 million into the region to fund conference centers, theater venues, agribusinesses, museums and more—all intended to ensure economic sustainability for generations to come."

—Christianne E. Parker, Vice Chair, Ninth District Development Financing



2004

1,842 individuals
received business and financial training, to date.

The Nature Conservancy

2004, Eco Loan Fund established for businesses focused on eco-tourism or related industries. Funding through The Nature Conservancy.

595 Jobs
created or retained



2006

2006, certified as Community Development Entity through U.S. Community Development Financial Institutions Fund

2006, Bonnie Gross, Cars for Work client, transports those who need rides, just as she herself was once in need of transportation.



2006–2007, Mark Mitchell, Program Director.

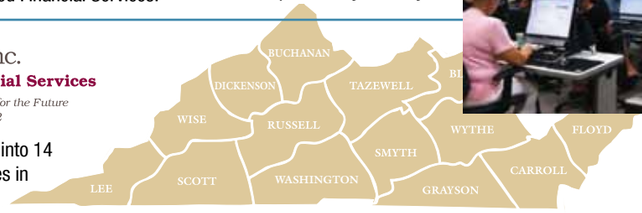
2007, Southwest Virginia Community Development Financing Incorporated becomes People Incorporated Financial Services.

People inc. Financial Services
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2007, services expand into 14 counties and three cities in Southwest Virginia.

2007, Business and financial training has served 2,428 persons by end of year.





2008

CDFI FUND CAPACITY BUILDING INITIATIVE

2008, People Incorporated awarded initial $15 million allocation of New Markets Tax Credits from U.S. Treasury, allowing investment in underserved localities.

Revitalizing Grundy

People Incorporated Financial Services, a Community Development Entity, secured investors to the project through New Markets Tax Credits which assisted in the construction of the Grundy Town Center. The centerpiece of a comprehensive downtown revitalization strategy, the Center is an economic development priority supported by the Industrial Development Authority (IDA), the town council, and the community. The project creates more than 300 new full-time jobs, 200 construction-related jobs, and a 140,000 sq. ft. commercial retail space.



PHOTO: RUSSELL BELCHER, ARGLAMP PRODUCTIONS. TIMELINE PHOTO BUTCH AND LAURA MORRIS, STEWART/PERRY CONSTRUCTION

Economic Development Enterprise

The New Markets Tax Credit (NMTC) program allows corporate taxpayers to receive a federal income tax credit for making equity investments in low-income, high-poverty, high-unemployment localities. The application process for these credits is highly competitive. From 2008 through 2012, People Incorporated has received three awards totaling $49 million. The NMTC allocations have energized the Grundy Town Center project (left); other projects include The Patrick Henry, a mixed-use adaptive reuse project in Roanoke (2011); and The Southern Kentucky Performing Arts Center (SKyPAC) in Bowling Green, Kentucky (2012).



Heartwood: Southwest Virginia's Artisan Gateway.

Heartwood: Southwest Virginia's Artisan Gateway

For decades, Southwest Virginia economies were highly dependent upon the coal mining, farming, and manufacturing industries. While these sectors of employment traditionally helped to sustain the region, the lack of diversification has slowed economic growth and limited employment opportunities. Although more diversified than fifteen years ago, the regional economy has remained hypersensitive to the "boom and bust" cycle of the coal industry, manufacturing plant closings, and labor force reductions. People Incorporated has built Heartwood: Southwest Virginia's Artisan Gateway to provide a more diverse, robust, and sustainable economy in the region.

2008

2008, Consumer Lending Program pilot begins with grant from Mary Reynolds Babcock Foundation.

2008, Blankenbeckler Tool and Saw, recipient of 1998 start-up loan, celebrates 10 years in business.



2009, designated as Regional Service Provider for Virginia Enterprise Initiative.

2009 expansion into Shenandoah and Page Counties creates opportunities for entrepreneurs like Brad Martin, owner of Mobility Innovation, New Market.





2009, Heartwood: Southwest Virginia's Artisan Gateway breaks ground, promising revitalization to arts and tourism. People Incorporated built the facility.

2010

2010, Revolving Loan fund, Rural Micro-entrepreneur Assistance Program

2010, Youth Entrepreneurship training with noted entrepreneur Cameron Johnson (center).



2010, New Markets Tax Credits bring positive change to Grundy.



2011, stimulates Community Revitalization efforts in downtown Bristol, Tennessee/Virginia and Haysi, Virginia.



2011, People Incorporated honored as Master Innovator by Community Action Partnership for promoting community development as a core strategy in promoting economic security and reducing poverty.

MASTER INNOVATOR
COMMUNITY ECONOMIC DEVELOPMENT
NATIONAL ENTREPRENEURSHIP & INNOVATION AWARD
2011
INAUGURAL AWARD

Building Communities

Based upon its growing reputation for sound loan fund stewardship, People Incorporated has recently established community revitalizing partnerships such as the Bristol Downtown Revitalization Loan Fund (2011), the Town of Haysi Loan Fund (2011) and the successful award of a Planning Grant to explore entrepreneurial opportunities in Downtown Luray and Page County (2012)—all of which provide localized opportunities to maximize program impact by leveraging People Incorporated Financial Services' expertise and experience.

Downtown Bristol Tennessee/Virginia

PHOTOS BY DAVID WOOD PHOTOGRAPHY. DESIGN BY HILLHOUSE GRAPHIC DESIGN, LLC

2012



2012, People Incorporated Financial Services expands services into Warren and Clarke counties in the Northern Shenandoah Valley.

2012, The restored Patrick Henry serves residential and commercial needs in Roanoke, Virginia.





2012, Planning Grant, Downtown Luray and Page County, Virginia.

2012, People Incorporated Financial Services celebrates its first twenty years.

People inc. Financial Services

"I can only hope there will be more programs out there like ours in the future. As one of three Regional Service Providers in Virginia, its our vision to continue encouraging the entrepreneurial spirit as a way to building a better community for everyone."

—Deborah S. Wagner

Director, Community Economic Development
People Incorporated Financial Services

Vision

LOOKING FORWARD

Communities choose People Incorporated to manage development projects because of our reputation as an innovator and our proven ability to promote local community revitalization efforts by spurring business development activity and job creation, and catalyzing further investment in distressed, disadvantaged regions of Virginia. People Incorporated remains a strong advocate and activist for microenterprise in Virginia and we are proud of the impact we have made in communities throughout the Commonwealth.

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1173 West Main St. | Abingdon, VA 24210
276.623.9000 | *Fax* 276.628.2931
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