



Albany County Business Development Corporation

Board of Directors Meeting

111 Washington Ave, Albany NY

March 16, 2023

8:30 AM – 10:00 AM

AGENDA

Welcome

- | | |
|---|--------------------------------|
| 1. Review of February 16, 2023, Meeting Minutes | Allen Maikels |
| 2. Review of February 2023 Financials | Allen Maikels,
Amy Thompson |
| 3. Review of Annual Audit | Kevin Testo |
| 4. Board Evaluation Summary | Allen Maikels |
| 5. New Request | Kevin Catalano |
| a. Faith Creative | |
| b. Hair We R | |
| 6. Modification | Kevin Catalano |
| a. 2191, LLC | |
| 7. Alliance CEO Report | Kevin O'Connor |
| 8. Other Business | |
| 9. Adjournment | Allen Maikels |



**Board of Directors Meeting Minutes
February 16, 2023**

DIRECTORS PRESENT	Allen Maikels, Pamela Lansing, Jeffrey Stone, Sean Ward, George Penn, and Caitlin O'Brien
DIRECTORS ABSENT	Marcus Pryor
COUNSEL PRESENT	Madeline Kauffman
AACA STAFF PRESENT	Kevin O'Connor, Antionette Dukes-Hedge, Kevin Catalano, Amy Thompson
GUEST PRESENT	

Mr. Maikels called the meeting to order at 8:33 a.m.

Mr. Maikels presented the Minutes from the December 15, 2022, meeting. Mr. Stone made a motion to approve the December 15, 2022, Minutes, Mr. Ward seconded, all were in favor.

Ms. Thompson presented December 2022 and January 2023 Financial Statements. Ms. Lansing made a motion to approve the Financial Statements, Mr. Ward seconded, all were in favor.

Ms. Thomason presented the Advance Albany County Alliance (the "Alliance") Agency Voucher. Ms. Lansing made a motion to approve the Alliance Voucher, Mr. Ward seconded, all were in favor.

Mr. Stone reviewed the Audit Engagement Letter.

Ms. Kauffman presented proposed Resolutions to amend the By-Laws of the Corporation to (i) to reflect the change in the power of appointment from the Albany – Colonie Regional Chamber of Commerce to the Alliance consistent with the amendment to the Certificate of Incorporation of the Corporation approved by the Board on October 27, 2022, and (ii) to restate the number of directors required to be present to constitute a quorum. Mr. Stone made a motion to approve the proposed amendments to the By-Laws, Mr. Ward seconded, all were in favor.

Mr. O'Connor introduced two new Board appointees: Alan Alexander who was appointed by the Alliance Board, and Diana Ostroff who was appointed by County Executive Dan McCoy. Mr. O'Connor provided a brief overview of their respective backgrounds.

Mr. Catalano reviewed the public documents required for submission to the Authorities Budget Office. The following documents were provided to the Directors to complete, acknowledge, and return: Conflict of Interest, Evaluation of Board Performance & Acknowledgement of Fiduciary Duty. Mr. Ward made a motion to approve, Ms. Lansing seconded, all were in favor.

Mr. Catalano recommended to the Board that with interest rates increasing, it may be an appropriate to invite KeyBank and other banks to a future meeting to discuss the possibility of earning higher interest on ACBDC deposits.

Mr. Catalano discussed Al Tech performance. There is currently one (1) loan in default owing by Jeff Ryan Integrative Medicine. Mr. Catalano stated that he has been informed that the Guarantor has fallen ill and is unable to operate the practice. He further reported that the Board accepted a \$5,000 payment in May of 2021 to release the mortgage, leaving



a current balance is \$25,979.32. Mr. Catalano advised that no Board action was requested at this time and he would provide a recommended course of action at a future Board meeting.

Mr. O'Connor gave the Alliance CEO Report, including updates on development opportunities in the County, commercial real estate projects and offshore wind activity.

Mr. Maikels made a motion to move to adjourn the meeting at 9:18 a.m., the motion was seconded Mr. Stone. All were in favor.

Respectfully submitted,

Allen-Maikels, Secretary/Treasurer
Date

Albany County Business Development Corporation
Statement of Net Position
As of February 28, 2023

	Total
ASSETS	
Current Assets	
Bank Accounts	
Restricted Cash	
10220 - M&T MM 3324 ALTECH ACBDC	7,394,996.80
10250 - M&T 4113 AI Tech Operating	914,467.05
Total Restricted Cash	\$ 8,309,463.85
Unrestricted Cash	
10210 - M&T ACBDC Corp Checking 4105	22,890.68
10255 - M&T 3994 CRAF Operating	3.00
Total Unrestricted Cash	\$ 22,893.68
Total Bank Accounts	\$ 8,332,357.53
Accounts Receivable	
14615 - Loans Receivable-AI Tech LT	11,420,851.07
14620 - Bad Debt Allowance	-84,193.00
15150 - Accrued Loan Interest	32,262.00
Total Accounts Receivable	\$ 11,368,920.07
Total Current Assets	\$ 19,701,277.60
Fixed Assets	
16000 - Furniture & Fixtures	6,588.00
16999 - Accumulated Depreciation	-6,588.00
Total Fixed Assets	\$ 0.00
TOTAL ASSETS	\$ 19,701,277.60
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20051 - Due to Advance Albany Co Alliance	96,529.44
Total Accounts Payable	\$ 96,529.44
Total Current Liabilities	\$ 96,529.44
Total Liabilities	\$ 96,529.44
Net Position	
28615 - Trust Assets	15,650,961.00
30000 - Net Assets	6,176,905.00
Retained Earnings	-2,254,907.40
Net Operating Revenues	31,789.56
Total Net Position	\$ 19,604,748.16
TOTAL LIABILITIES & NET POSITION	\$ 19,701,277.60

Albany County Business Development Corporation
Statement of Revenue, Expenses and Changes in Net Position
YTD February 2023

		<u>Total</u>
Operating Revenues		
41000 - Application Fees		0.00
44000 - Bank Interest		21,143.99
44050 - Loan Interest Earned		57,770.91
Total Operating Revenues	\$	78,914.90
Gross Profit	\$	78,914.90
Operating Expenses		
50035 - Agency Fee	\$	47,125.34
Total Operating Expenses	\$	47,125.34
Change in Net Position	\$	31,789.56
Net Position (Beginning of Period)		<u>19,590,344</u>
Net Position (End of Period)		<u><u>19,622,133</u></u>

Albany County Business Development Corporation
Budget vs. Actuals: 2022 Budget - FY22 P&L
YTD February 2023

	Actual	Budget	Budget Variance	% of Budget
Operating Revenues				
41000 - Application Fees	0.00	0.00	0.00	
44000 - Bank Interest	21,143.99	213.30	20,930.69	9912.79%
44050 - Loan Interest Earned	57,770.91	65,410.30	-7,639.39	88.32%
Total Operating Revenues	\$ 78,914.90	\$ 65,623.60	\$ 13,291.30	120.25%
Operating Expenses				
50015 - Bank Fees	0.00	0.00	0.00	
50035 - Agency Fee	47,125.34	38,500.00	8,625.34	122.40%
Bad Debt Writeoff	0.00	0.00	0.00	
Total Operating Expenses	\$ 47,125.34	\$ 38,500.00	\$ 8,625.34	122.40%
Change in Net Position	\$ 31,789.56	\$ 27,123.60	\$ 4,665.96	117.20%

Summary Results of Confidential Evaluation of Board Performance

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
	#	#	#	#
Board members have a shared understanding of the mission and purpose of the Authority.	X			
The policies, practices and decisions of the Board are always consistent with this mission.	X			
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	X			
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	X			
The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	X			
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence or self-interest.	X			
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	X			
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	X			
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	X	X		
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	X			
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	X			
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	X			
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	X	X		
The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.	X			
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	X			
Board members demonstrate leadership and vision and work respectfully with each other.	X			

Name of Authority: _____

Date Completed: _____

**Albany County Business Development Corp.
AI Tech Loan Fund
Loan Proposal
March 16, 2023**

BORROWER: Deanalee and John Campbell or LLC to be formed

REQUEST: \$135,000 (One-Hundred and Thirty-Five Thousand Dollars)

TERM: 5-year term – 20-year amortization

RATE: Lessor or 75% of the Prime Rate or 4.00%

PROJECT: Deanalee and John Campbell are purchasing the building that their business Faith Creative Names Inc. (FCN) has resided in since 2008. The purchase price is \$150,000.

The sources and uses of the proposed project financing are follows:

SOURCES		USES	
AI Tech Funds	\$135,000	Purchase	\$150,000
Owners Equity	30,000	Soft Cost (Closing Costs)	15,000
Bank Financing	00		
Total	\$165,000	Total	\$165,000

Mr. Catalano has reached out to Capitalize Albany to understand if there are Facade Grants available or other Grant Funds are available to owner-occupied properties in the City of Albany.

COLLATERAL: Collateral for the AI Tech loan will be a first mortgage on property located at 257 Central Ave, Albany, NY (across from Brighter Choice Charter School) and first UCC Lien on All Business Assets of Faith Creative Names, the operating company occupying the property. Assignment of Life Insurance on Deanalee in the amount of the loan.

GUARANTORS: The loan will require the personal guarantees of both Deanalee and John Campbell along with the corporate guarantee of Faith Creative Names.

Deanalee and John have credit scores in the mid-to-high 600's with two mortgages: one on Pennsylvania Ave, their previous home and their new home on North Pine. Combined, the mortgages exceed \$270,000. The Campbells are in the process of cleaning up the property located on Pennsylvania Ave to rent out as an income-producing property. The second-floor unit is currently rented for \$900 a month and they are working on the first-floor apartment where they hope to rent it for \$1,000 a month plus utilities. The value of

the Pennsylvania Ave property is estimated at \$149,000; the Campbells have a mortgage balance of \$70,000, providing \$79,000 in equity.

The Campbells have some credit card debt that will be addressed. There is a \$153 medical collection debt which should be cleared prior to closing.

The Campbells had an AGI of \$97,199 and \$152,816 in 2020 and 2021 respectively. In addition to working for Anthem, due to his time with the organization, John is also collecting a pension from Anthem.

BACKGROUND:

Faith Creative Names Inc. (FCN) is a family-owned retail business located in Albany, NY since 2008, operated by Deanalee Campbell and her husband John Campbell. Deanalee manages the day-to-day operations of the business while her husband spends his workdays at Anthem BC-BS working on their printers and copiers. John has an annual salary of approximately \$70,000.

FCN is a minority and women-owned business enterprise (MWBE) specializing in school uniforms for charter schools and Saint Rose College, professional business uniforms, and promotional products for organizations around the Capital Region. The Director of Commercial Lending will work with the owners to assist them in earning their Certified NYS MWBE designation, as an effort to help them grow and expand their client base. Since 2008, FCN has built a very loyal customer base by providing products that are not immediately accessible to the underserved Albany community. Their goal is to become the premier school and work uniform supplier in New York State's Capital Region.

FCN has seen a yearly increase in revenues over the past several years. In 2022, FCN started carrying uniforms for Green Tech High Charter School. The owners expect an annual increase, as Green Tech is rolling out a new 6th grade classroom. FCN's largest clients currently are KIPP (Albany Community Charter School), with an average annual spend of \$80,000. FCN also works closely with a nonprofit organization PRHYLI (Puerto Rican and Hispanic Youth Leadership Institute) that spends \$15,000-\$25,000 with FCN annually.

As an MWBE, the owners see tremendous opportunity to expand into government contracts (uniforms, safety gear, branded clothing and marketing/promotional materials) currently not well represented by qualified minority business enterprise (MBE) supplier in the region.

The owners of FCN consider the business an opportunity to serve a larger part of the community and a vehicle to empower young people in their local community. FCN will accomplish this by participating in local employment programs that provide job training to local high school students. The students learn many real-life skills through hands-on opportunities while gaining experience in inventory management, product customization, embroidery machine, order fulfillment, supply chain, and customer service.

The owners of FCN would like to purchase the building they have occupied for the past eight years. Owning the property at 257 Central Ave in Albany, there is a second floor

apartment that is currently rented month-to-month for \$900 a month plus utilities. As they continue to grow, FCN may need extra space. So, another option for the second-floor apartment, if the tenant decides to move the owners could utilize the area as an expansion of the current space as they onboard new schools.

Overall, the owners of FCN feel the building is in good condition, in speaking with Capitalize Albany, the prospective owners have applied to the City of Albany for grant funds to update the second-floor apartment and improve the façade. Capitalize Albany suggested that an approval by ACBDC would provide additional points in the grading matrix they utilize to grade each project. After occupying the building for eight years, the owners of FCN appreciate the opportunity before them to own the underlying real estate.

FINANCIALS:

See attached financial information:

ECONOMIC IMPACT: Al Tech will be providing a loan to the operators of the business that occupies the space. Owner-occupied real estate will provide the owners to build equity, control the property they currently rent, and stabilize their monthly payments for the next 5 years. Additionally, there are tax advantages to owning real estate.

Deanalee and John are hoping that their college age children will join the business to help expand their offerings and expand their schools they provide uniforms for. Being a husband-and-wife team where one spouse works outside of the business doesn't leave time for expansion plans and sales calls.

STRENGTHS

- There is sufficient cash flow to support the purchase.
- Fits the mission of the fund.
- Woman and minority owned business in mid-town Albany.
- Plans to bring additional family members into the business.

WEAKNESS:

- Building is aging and renovations may be required going forward.
- 90% of their revenue comes from 2 schools, Green Tech, High, Kipp Charter School / Albany Community Charter School, if they were to lose one account, it could adversely affect revenues and profitability.

OTHER TERMS AND CONDITIONS

- Assignment of life insurance on the life of Deanalee Campbell in the amount of \$135,000 each
- Updated real estate appraisal on property located at 257 Central Ave, Albany, NY
- Environmental report on the property located at 257 Central Ave, Albany, NY
- Al Tech to fund at closing.

Deanalee Campbell

21 North Pine Avenue Albany NY 12206 ♦ 518-364-2849 ♦ e-mail: FCNDesigner@GMail.com

Versatile professional with excellent skills. Trained in clothing creation and fashion retail and marketing. Consistent producer and highly focused individual who enjoys working in a team environment and achieving goals and objectives.

EDUCATION

*Ka-Ju Dressmaking and Fashion
Designing Institute
Jamaica School of Commerce, Jamaica, W.I.
Fashion Design, Accounting, and Office Skills*

TECHNICAL SKILLS/ PROFICIENCIES

- ♦ Sales leader in the personal fashion industry
- ♦ Trained seamstress and fashion designer
- ♦ Skilled in the creation of bridal garments
- ♦ Creator of embroidery designs and logo design services
- ♦ Possesses extensive office management skills

PROFESSIONAL EXPERIENCE

Faith Creative Names
President

2008-Present

Performed sales calls to the management of various charter and private schools in the marketing of school uniforms.

Established a retail sales store for school and work uniforms, as well as fashion garments.

Performed inventory management, tracking, and ordering.

Created logo designs, embroidery and heat press transfers to clothing per client specifications.

Lenscrafters
Sales Associate

2000-2004

Leading sales representative in front end sales of eyeglasses.

Exceeded many sales goals and frequently set new sales records.

Candidate for an optician license by apprenticeship.

Devised new sales methods that were eventually integrated into the sales training program for Lenscrafters nearly 1000 franchise stores.

Caldor
Sales Representative

1998-2000

Provided customer sales services in this large retail store.

Engaged customers in the sale of men, women and children's fashion.

Performed cashier services, regularly delivering accurate draw counts at the close of each shift.

Name John Campbell Business Phone (xxx-xxx-xxxx) 518-364-2849
 Home Address 21 North Pine Avenue Home Phone (xxx-xxx-xxxx) 518-426-7096
 City, State, & Zip Code Albany NY 12206
 Business Name of Applicant/Borrower Faith Creative Names
 Business Address (if different than home address) 257 Central Avenue Albany NY 1220
 Business Type: Corporation S-Corp. LLC Partnership Sole Proprietor (does not apply to ODA applicant)

This information is current as of [month/day/year]
 (within 90 days of submission for 7(a)/504/SBG/ODA/WOSB or within 30 days of submission for 8(a) BD)

WOSB applicant only, Married Yes No

ASSETS (Omit Cents)	LIABILITIES (Omit Cents)
Cash on Hand & in banks..... <u>\$ 10,200.00</u>	Accounts Payable..... _____
Savings Accounts..... _____	Notes Payable to Banks and Others..... _____ (Describe in Section 2)
IRA or Other Retirement Account..... <u>\$ 128,007.15</u> (Describe in Section 5)	Installment Account (Auto)..... _____ Mo. Payments _____
Accounts & Notes Receivable..... _____ (Describe in Section 5)	Installment Account (Other)..... _____ Mo. Payments _____
Life Insurance - Cash Surrender Value Only..... _____ (Describe in Section 8)	Loan(s) Against Life Insurance..... _____
Stocks and Bonds..... <u>10,601.11</u> 886,000.00 (Describe in Section 3)	Mortgages on Real Estate..... _____ (Describe in Section 4)
Real Estate..... _____ (Describe in Section 4)	Unpaid Taxes..... _____ (Describe in Section 6)
Automobiles..... <u>\$ 5,684.00</u> (Describe in Section 5, and include Year/Make/Model)	Other Liabilities..... _____ (Describe in Section 7)
Other Personal Property..... _____	Total Liabilities..... <u>\$ 0</u>
Other Assets..... _____ (Describe in Section 5)	Net Worth..... _____
Total <u>\$ 0</u>	Total <u>\$ 0</u> Must equal total in assets column.

Section 1. Source of Income.	Contingent Liabilities
Salary..... <u>\$ 69,622.89</u>	As Endorser or Co-Maker..... _____
Net Investment Income..... _____	Legal Claims & Judgments..... _____
Real Estate Income..... _____	Provision for Federal Income Tax..... _____
Other Income (Describe below)..... _____	Other Special Debt..... _____

Description of Other Income in Section 1 (All money or child support payments should not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income)

Section 2. Notes Payable to Banks and Others. (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Names and Addresses of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value
21	ELV	498.77			10,601.11

Section 4. Real Estate Owned. (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Real Estate (e.g. Primary Residence, Other Residence, Rental Property, Land, etc.)	Residence		
Address	12 Pennsylvania Ave Albany NY 12206	21 North Pine Ave Albany NY 12203	
Date Purchased	6-29-2004	8-24-21	
Original Cost	\$50,000	\$210,000	
Present Market Value	\$110,000	\$370,000	
Name & Address of Mortgage Holder	TD Bank	Homeowners Advantage	
Mortgage Account Number	6019040101	78697	
Mortgage Balance	\$70,187.09	\$194,032.77	
Amount of Payment per Month/Year	\$816.01	\$1791.08	
Status of Mortgage			

Section 5. Other Personal Property and Other 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.)

Section 6. Unpaid Taxes. (Describe in detail as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

Section 7. Other Liabilities. (Describe in detail.)

Section 8. Life Insurance Held. (Give face amount and cash surrender value of policies – name of insurance company and Beneficiaries.)

I authorize the SBA/Lender/Surety Company to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness.

CERTIFICATION: (to be completed by each person submitting the information requested on this form and the spouse of any 20% or more owner when spousal assets are included)

By signing this form, I certify under penalty of criminal prosecution that all information on this form and any additional supporting information submitted with this form is true and complete to the best of my knowledge. I understand that SBA or its participating lenders or Certified Development Companies or Surety Companies will rely on this information when making decisions regarding an application for a loan, surety bond, or participation in the WOSB or 8(a) BD program. I further certify that I have read the attached statements required by law and executive order.-

Signature _____

Date _____

Print Name _____

Social Security No. _____

Signature Deana Lee Campbell

Date 2-1-23

Print Name Deana Lee Campbell

Social Security No. 068 887568

S-Corp 1120 - S Form	Internally Prepared 2022	2021	2020
Sales	177,717	153,526	159,790
COGS	96,096	94,312	94,473
Gross Profit	81,621	59,214	65,317
Net Gain from 4797			
Total Income	81,621	59,214	65,317
Operating Expenses			
Officer Comp			
Salaries and Wages			
Repairs and Maintenance	50	87	1,785
Auto and Truck Exp	2,548		
Bad Debts			
Rents	9,700	4,000	8,200
Insurance	1,457		
Taxes / Licenses		50	50
Interest	2,461	5,396	3,368
Depreciation			998
Advertising	262		1,827
Pension			
Employee Benefits			
Other Deductions	21,144	15,314	15,222
Total Operating Expenses	37,622	34,367	33,867
Net Income	43,999	24,847	31,450

Deanalee and John Campbell donated \$6,210 to their Church, Heart Ablaze Ministries, in 2022, this is a discretionary amount annually

Faith Creative Names	S-Corp Internal 2022	2021	2020
Cash Flow	43,997	34,367	33,867
Net Income		0	998
Depreciation	2,462	5,396	3,368
Interest	9,700	4,000	8,200
Rent	56,159	43,763	46,433
Total Cash Flow			
Debt Service	9,817	9,817	9,817
DSCR	5.72	4.46	4.73

257 Central Ave From Seller 2022 Notes

Rental Income (cur)	22,800
Expenses	
Utilities	0 No house meter
Water / Sewer	742 Actual
Insurance	3,400 Actual
Taxes (school)	2,458 Actual
Taxes (property)	2,002 Actual
Repairs and Maintenance	2,934 Actual
Total Expenses	11,536
NOI	11,264
DS	9,817
DSCR	1.15
Rent Roll	
FCN	12000 Need to confirm with Buyer as they have only \$9,700 listed for rents paid by FCN
2nd Floor Apartment	10,800
Total Rents Received	22,800

1.15X DSCR is typically lower than a traditional bank lender would require on an annual basis, most financial institutions (Banks or Credit Unions) would require 1.2 - 1.25X DSCR
 Seller provided internally prepared P&L for 257 Central Ave
 There is sufficient cash flow for FCN to increase their rent if necessary

**Albany County Business Development Corp.
AI Tech Loan Fund
Loan Proposal
March 16, 2023**

BORROWER: James and Shannon Cornwall
REQUEST: \$89,000 (Eighty-Nine Thousand Dollars)
TERM: 5-year term – 20 year amortization
RATE: Prime minus three percent with a floor of 4.00%
PROJECT: James and Shannon Cornwall are looking to purchase 121 South Pearl Street for \$99,000. There are two storefronts, Hair We R, owned by James Cornwall and Boost Mobile that is in the process of signing a new lease. There are also two studio apartments which they are looking to rent for approximately \$750 plus utilities each.

The sources and uses of the proposed project financing are follows:

SOURCES		USES	
AI Tech Funds	\$89,000	Purchase	\$99,000
Owners Equity	25,000	Soft Costs	15,000
Bank Financing			
Total	\$114,000	Total	\$114,000

Mr. Catalano has reached out to Capitalize Albany to understand if there are Facade Grants available or other Grant Funds are available to owner-occupied properties in the City of Albany.

COLLATERAL: Collateral for the AI Tech loan will be a first mortgage on property located at 121 South Pearl St, Albany NY 12205 along with a first lien on all business assets of Hair We R (barber shop located in one of the ground-floor retail spaces) and BADU Management, a property management company owned and operated by James Cornwall.

GUARANTORS: The loan will require the personal guarantees of James and Shannon Cornwall and the corporate guarantees of Hair We R and BADU Management.

Shannon has a credit score of 696 with no derogatory information listed. James has a credit score of 666, with some blemishes listed on his credit report. It appears James

credit was adversely effected by covid as his issues were recognized in 2020 and 2021. He appears to be back on track with his payments. James has loans for a truck and equipment for BADU Management listed on his personal credit report.

BACKGROUND:

Established in 2013, Hair We R is a beloved staple in the south-end community. A full-service unisex barbershop, Hair We R is dedicated to consistently providing newly discovered haircuts while providing an enjoyable, relaxing atmosphere at an acceptable price. As a modern barbershop, we service customers from all walks of life and offer an environment where they can sit back, relax, and experience a rich cultural unisex grooming service.

Aimed towards today's professional market, the combination of culture, experience, and comforting atmosphere firmly establishes Hair We R as the place where today's family in the South End area can come and receive quality grooming services, while enjoying good conversations. By focusing on increasing staff and the client base, Hair We R will become the sought-after destination for not only the South End, but for the entire Capital District. We have a huge following thanks to our discerning customer base, which makes us confident that we will continue to successfully add tremendous value to the local community.

The timing is never better to own a commercial property in the South End neighborhood. As rent increases in other parts of the state, more people are flocking to Albany due to the area's lower cost of living. With an abundance of well-established businesses and new business ventures in this area, there is a distinct lack of quality unisex grooming services in the nearby area. This lead Hair We R to create meaningful partnerships with local community appointed leaders, families, and other grass-root organizations.

The goal of Hair We R is to become a trusted place where the clients in our community can come to relax their minds and bodies while networking with family, friends, and colleagues. We intend to own the building that we've been operating Hair We R for over 10 years. We plan increase employment opportunities in the local community – our master barbers are certified to train hairstylists to become professional barbers themselves. We also plan to make needed structural changes to improve the upkeep of this property, so our staff and customers can enjoy and appreciate a fresh environment. Over the past four years, we've invested over \$10,000 in needed improvements.

The management philosophy of Hair We R is rooted in three tenants: respect for all employees, respect for every client, and individual responsibility. Covid-19 has substantially impacted our most vulnerable neighborhoods, as its economic impacts continue to amplify housing affordability and the economic drivers of homelessness. We try our best to meet the needs of our staff and ensure that the business can stay afloat. Each team member keeps 60% of their earnings including tips. The house keeps 40%.

Beyond operating the barbershop, plans for 121 South Pearl Street are to renew the lease with Boost Mobile and to offer affordable housing on the second floor – either by offering two studio apartments, or one large apartment with two bedrooms/two baths. The Borrowers have submitted a grant application to Capitalize Albany for funds to improve the façade and the second-floor apartments. The goal here is to offer affordable, stable, and secure housing for

tenants with lower incomes or college students that are enrolled full-time and need housing. Rents for the two studio apartments would start at \$750 each. It has been difficult to get financial information from the seller.

FINANCIALS:

See attached financial information:

ECONOMIC IMPACT: Al Tech will be providing a loan to the operators of the business that occupies the space. Owner-occupied real estate will provide the owners to build equity, control the property they currently rent, and stabilize their monthly payments for the next five years. Additionally, there are tax advantages to owning real estate.

James and Shannon's son and nephew work at the barbershop and they expect to add another barber over the next two years.

STRENGTHS

- There is sufficient cash flow to support the purchase of 121 S. Pearl Street and once the apartments are updated cash flow will continue to improve
- Fits the mission of the fund to support MWBE's
- James and Shannon provide a combination of fixed income from Shannon working at NYS and James owning and operating two different businesses
- James collects \$802 a month from Social Security Income

WEAKNESS:

- Building is over 100 years old and renovations may cost more than budgeted
- James and Shannon should work to reduce any credit card debt they currently have
- Limited liquidity, the owners spent years saving the funds required to purchase the property

OTHER TERMS AND CONDITIONS

- Assignment of life insurance on the life of James Cornwall in the amount of \$89,000
- Updated real estate appraisal on property located at 121 South Pearl Street, Albany, NY
- Environmental report on the property located at 121 South Pearl Street, Albany
- Al Tech to fund at closing

Name: James Cornwell
 Home Address: 911 HAYS Rd
 City, State, & Zip Code: EAST GREENBUSH
 Business Name of Applicant/Borrower: HAIR We R
 Business Address (if different than home address): 121 SOUTH PEARL ST
 Business Type: Corporation S-Corp. LLC Partnership Sole Proprietor (does not apply to ODA applicant)

Business Phone (xxx-xxx-xxxx): 518 444 2094
 Home Phone (xxx-xxx-xxxx): 347 584 9546

This information is current as of [month/day/year] (within 90 days of submission for 7(a)/504/SBG/ODAWOSB or within 30 days of submission for 8(a) BD)
 WOSB applicant only, Married Yes No

ASSETS (Omit Cents)	LIABILITIES (Omit Cents)
Cash on Hand & in banks..... <u>22,000.00</u>	Accounts Payable.....
Savings Accounts.....	Notes Payable to Banks and Others. <u>42,498</u> (Describe in Section 2)
IRA or Other Retirement Account.....	Installment Account (Auto)..... Mo. Payments <u>756.25</u>
(Describe in Section 5)	Installment Account (Other)..... Mo. Payments
Accounts & Notes Receivable.....	Loan(s) Against Life Insurance.....
(Describe in Section 5)	Mortgages on Real Estate..... <u>187,786</u> (Describe in Section 4)
Life Insurance - Cash Surrender Value Only..... <u>250,000</u> (Describe in Section 8)	Unpaid Taxes..... (Describe in Section 6)
Stocks and Bonds..... <u>N/A</u> (Describe in Section 3)	Other Liabilities..... (Describe in Section 7)
Real Estate..... <u>233,000</u> (Describe in Section 4)	Total Liabilities..... \$ 0
Automobiles..... <u>195,000</u> (Describe in Section 5, and include Year/Make/Model)	Net Worth.....
Other Personal Property.....	
(Describe in Section 5)	
Other Assets.....	
(Describe in Section 5)	
Total \$ 0	Total \$ 0 Must equal total in assets column.

Section 1. Source of Income.

Salary.....
 Net Investment Income.....
 Real Estate Income.....
 Other Income (Describe below).....

Contingent Liabilities

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

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

Section 2. Notes Payable to Banks and Others. (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Names and Addresses of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral
Sunmark Credit		42498	756.25		

Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value
N/A					

Section 4. Real Estate Owned. (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Real Estate (e.g. Primary Residence, Other Residence, Rental Property, Land, etc.)	Resident		
Address	911 Hays Rd		
Date Purchased	June 19 2015		
Original Cost	224,360.00		
Present Market Value			
Name & Address of Mortgage Holder	5th 3rd Bank Cincinnati Ohio		
Mortgage Account Number	207597337		
Mortgage Balance	187,786.78		
Amount of Payment per Month/Year	1818.41		
Status of Mortgage	Current		

Section 5. Other Personal Property and Other 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.)

2012 FORD 250 PAID IN FULL (Value 40,000) SNOW PLOW
 2014 FORD 350 SAITER
 2010 Chrysler 300 PAID IN FULL (Value 5,000)
 2003 Chev 3500 PAID IN FULL (Value 10,000)
 2001 FORD F250 PAID IN FULL

Section 6. Unpaid Taxes. (Describe in detail as to type, to whom payable, when due, amount, and to what property, if any, a tax return attaches.)

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.)

I authorize the SBA/Lender/Surety Company to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness.

ATTESTATION: (to be completed by each person submitting the information requested on this form and the spouse of any 20% or more owner when spousal assets are included)

By signing this form, I certify under penalty of criminal prosecution that all information on this form and any additional supporting information submitted with this form is true and complete to the best of my knowledge. I understand that SBA or its participating lenders or Certified Development Companies or Surety Companies will rely on this information when making decisions regarding an application for a loan, surety bond, or participation in the WOSB or 8(a) BD program. I further certify that I have read the attached requirements required by law and executive order.-

Signature James Cornwall

Date 2/27/23

Print Name James Cornwall

Social Security No. 580169205

Signature Shannon Cornwall

Date 2/27/23

Print Name Shannon Cornwall

Social Security No. 082-58-6244



Social Security Administration Benefit Verification Letter

Date: February 20, 2023
BNC#: 23V4265D85519
REF: A, DI

0201BEV1F31V3B7 CCM.M72.BEV1F.R2302220



JAMES CORNWALL
91 HAYS RD
EASTGREENBUSH NY 12061-1736

You asked us for information from your record. The information that you requested is shown below. If you want anyone else to have this information, you may send them this letter.

Information About Current Social Security Benefits

Beginning December 2022, the full monthly Social Security benefit before any deductions is \$966.90.

We deduct \$164.90 for medical insurance premiums each month.

The regular monthly Social Security payment is \$802.00.
(We must round down to the whole dollar.)

Social Security benefits for a given month are paid the following month. (For example, Social Security benefits for March are paid in April.)

Your Social Security benefits are paid on or about the third of each month.

We found that you became disabled under our rules on October 1, 2015.

Information About Past Social Security Benefits

From December 2021 to November 2022, the full monthly Social Security benefit before any deductions was \$889.60.

We deducted \$170.10 for medical insurance premiums each month.

The regular monthly Social Security payment was \$719.00.
(We must round down to the whole dollar.)

Type of Social Security Benefit Information

You are entitled to monthly disability benefits.

See Next Page

Management Resume
(Copy As Needed)

Name James Cornwall SS# 580-1609205
 Date of Birth 07261968 Place of Birth LENOX HILL HOSPITAL
 Residence Telephone () Cell 3(4)7 584 9540
 Address 121 South Pearl St Zip Code 12207
 Are you employed by U.S. Government? Yes ___ No Agency _____
 Are you U.S. Citizen? Yes No ___ If No, Alien Registration Number _____
 Have you ever been convicted of any criminal offense other than a misdemeanor involving a motor vehicle? Yes ___ No If Yes, give details below.

EDUCATION:

College or Technical Training School	Dates Attended	Degree or Certificate

WORK EXPERIENCE: (Begin with Present Employment)

1. Company/Location HAIR We R
 From 2010 To Current Title Master Barber
 Duties HAIR Cutting Hair Styling
 2. Company/Location BADU Management
 From 2015 To Current Title landscaper
 Duties SNOW REMOVAL, GRASS TRIMMING
 3. Company/Location _____
 From _____ To _____ Title _____
 Duties _____

AREAS OF EXPERTISE / MAJOR ACCOMPLISHMENTS:

Professional landscaper, We started our landscaping business with one lawn mower, Now we own 10 lawn tractors several mowers, chain saws, standing mowers, etc. At this time we are a fully serviced lawn care and snow removal company.

AREAS OF EXPERTISE / MAJOR ACCOMPLISHMENTS:

master BARBER, My son and I attended ~~Barbering School~~ together. The two of us worked as helpers in a shop. We decided it would be best to become shop owners, so we attended Austin Beauty school and graduated successfully.

BADU Management - 1120	Internally Prepared 2022	2021
Sales	72,907	79,045
COGS	2,000	
Gross Profit		
Net Gain from 4797		
Total Income	70,907	79,045
Operating Expenses		
Officer Comp		35,000
Salaries and Wages		
Repairs and Maintenance		
Auto and Truck Exp	3,300	
Bad Debts		
Rents		7,200
Insurance	5,000	
Taxes / Licenses	3,000	
Interest		
Depreciation		
Advertising	800	
Pension		
Employee Benefits		
Other Deductions	25,843	43,412
Total Operating Expenses	37,943	85,612
Total Income	32,964	-6,567
Hair We R - Schedule C		
Sales	24,000	35,000
COGS		
Gross Profit		
Net Gain from 4797		
Total Income	24,000	35,000
Operating Expenses		
Officer Comp		
Salaries and Wages		
Repairs and Maintenance		
Auto and Truck Exp		
Bad Debts		
Rents	7,200	7,800
Insurance	3,500	
Taxes / Licenses		
Interest		
Depreciation		
Advertising	500	
Pension		
Employee Benefits		
Other Deductions	1,850	8,476
Total Operating Expenses	13,050	16,276
Total Income	10,950	18,724
Total Estimated Combined Income	43,914	12,157

Hair We R - James has a 60/40 split with the barbers

James is owner and part-time barber

James had a salary of \$35,000 in 2021 from BADU

Shannon works for NYS earning approximately 75,000 in 2022. Shannon also provides health insurance for her family

James and Shannon

	2021	2020
Cash Flow		
Net Income	34,367	33,867
Depreciation	0	998
Interest	5,396	3,368
Amortization	4,000	8,200
Total Cash Flow	43,763	46,433
Debt Service	6,472	6,472
DSCR	6.76	7.17

121 South Pearl Stree Estimated		Estimated - Stablized
Rental Income (cur)	18,000	36,000
Expenses		
Utilities	3,825	3,825 provided 4 months of invoices (X3)
Water / Sewer	300	300 provided 1 quarterly invoice (X4)
Insurance	2,200	2,200 Estimate from past clients
Taxes (school)	3,571	3,571 2022 Actual
Taxes (property)	2,436	2,436 2022 Actual
Repairs and Maint	2,500	2,500 \$500 per unit and exterior (X5)
Total Expenses	14,832	14,832
NOI	3,168	21,168
Debt Service	6,472	6,472 \$89K, 4%, 20 years
DSCR	0.49	3.27

Current rents do not provide adequate cash flow to cover the debt, renting the upper apartments will be required

Rent Roll		
Hair We R	7,200	7,200
Boost Mobile	10,800	10,800
Apt 1		9,000
Apt 2		9,000
	18,000	36,000

Albany County Business Development Corporation
AI Tech Loan Fund
Subordination Request

Borrower: Mike Kwarta
2191, LLC – Tech East Construction, Tech East Fire and Water
Restoration
2191 Central Ave
Schenectady (Colonie), NY 12304

Funded: 01/03/2019
Amount: \$368,000
Rate: 4.13%
Term: 5-year term, 20- year amortization
Balance: \$290,947 (as of 03/01/2022)

Collateral

- (1) Second Mortgage on 2191 Central Ave, Schenectady NY; Appraised value = \$1,970,000.
- (2) Second security interest in all business assets.

Request:

Mr. Kwarta has been approved by Saratoga National Bank for a new cash-out mortgage refinance on his real estate holding company 2191, LLC in the amount of \$1,477,500. The funds will be used to refinance the existing mortgage and consolidate debt held in Tech East Construction reducing overall annual debt service payments.

AI Tech Loan not to exceed 90% LTV, ACBDC has received the Appraisal dated November 23, 2022 completed by National Valley Valuations demonstrating an “as is” market value of \$1,970,000. AI Tech Counsel to review updated subordination agreement prior to signing.

Background:

2191, LLC is a real estate holding company for the real estate occupied by Tech East Construction Inc. Tech East is a company that specializes in clean up and renovation after fire, flooding, or mold. Tech East is owned by Michael Kwarta and 2191 is owned 50/50 by Michael and Dan Caniff. The proposed loan is for Mike to buy Dan out of 2191. The disaster restoration services market is expected to experience continued growth over the 2023-2033 period, by approximately a 5.6% compound annual growth rate. This is due to the rising rate of natural disasters, 3 times more then 50 years ago according to the Food and Agricultural Organization, and the increase in population and urbanization.

Requested is a \$1,477,500 refinance with cash out for property located at 2191 Central Avenue in Colonie, NY. The property is the corporate headquarters of Tech East Construction Inc. Funds will be used to refinance the existing mortgage at SNB, buyout his current partner in the real estate and provide cash out that will be used to pay down existing term and line of credit debt associated with Tech East (estimated at \$827,500).

Tech East has performed well over the past few years, with exception to 2020, during covid, when cost of labor shot up causing a deficiency in net income. Revenues, however have continued to grow year over year from \$4.2 million in 2019 to \$5.7 million in 2021. The company was able to get its labor costs back under control, providing sufficient cash flow to service its obligations. In 2021, Tech East showed \$516 thousand in cash available for debt service which was sufficient to cover their obligations with a 1.70x DSCR. We have additionally received interims through 11/30/2022 with comparison to the previous year. Revenues have increased year over year from \$5.1 million to \$5.6 million. Through November of this past year, net income has improved from \$181 thousand to \$1.426 million, which is sufficient to cover obligations of \$586 thousand. Upon completion of this transaction, debt service of the company will reduce from \$640 thousand to \$266 thousand annually.

Major points of this are:

- Buyout Dan Canniff (so Mike own's the property outright)
- Pay off existing term and LOC debt of Tech East
- Consolidate debt which will improve monthly cash flow by roughly \$25,000 monthly

Sources and Uses

Uses		Sources	
Payoff SNB 1st	\$ 404,540	SNB 1st Mtg	\$ 1,477,500
Payoff SNB 2nd	\$ 37,108		
Buyout Dan Canniff	\$ 150,000		
Distribute to Mike	\$ 827,500		
Closing Costs	\$ 58,352		
Total Uses	\$ 1,477,500	Total Uses	\$ 1,477,500

Liabilities Current and Proposed

Balance Sheet				
Tech East	Current Liabilities	\$ 1,476,105.13	Proposed Liabilities	\$ 648,605.13
2191 LLC	Current Liabilities	\$ 909,577.00	Proposed Liabilities	\$ 1,945,429.00

Post closing Balance Sheet attached:

Profit & Loss

January through December 2022

	Jan - Dec 22
Ordinary Income/Expense	
Income	
Commission contribution	237,522.03
Mohawk Chevrolet	195,408.89
NYS Tax Refund	31,985.84
saratoga national	27,330.41
Total Job Cost	3,000.00
	5,739,254.66
Total Income	6,234,501.83
Cost of Goods Sold	
Subcontractors Expense	2,293,405.29
Worker's Compensation Insurance	116,499.23
	2,409,904.52
Total COGS	3,824,597.31
Gross Profit	2,409,904.52
Expense	
Advertising and Promotion	190,070.24
Appraisal Fee	3,640.00
Bank Service Charges	39.00
Charity/Donation	11,000.00
Cleaning Service	3,902.96
Consulting Services	3,550.00
Dump	70,747.19
Equipment Rental for Jobs	45,687.41
Fee	152.88
Gas for Vehicles	120,448.39
Health Insurance Expense	79,631.61
Insurance Expense	96,527.03
Materials	197,811.42
Meals and Entertainment	12,471.72
Office Supplies	23,098.72
Paychex Fees	11,802.56
Payroll Expenses	955,330.89
Payroll Tax	79,586.26
permit	1,888.32
Professional Fees	71,967.04
Reimbursable Expenses	1,593.51
Rent Expense	134,500.00
Saratoga Merchant Account	2,200.00
software	31,689.85
Tax payment	13,050.00
Tax Return Preparation	9,250.00
Telephone Expense	17,025.50
Trailer	4,152.77

Profit & Loss

January through December 2022

	Jan - Dec 22
Travel Expense	48,544.06
Uniforms	11,140.49
Utilities	25,025.73
Vehicle Expense	34,197.65
Total Expense	2,311,723.20
Net Ordinary Income	1,512,874.11
Net Income	1,512,874.11

Tech East Fire & Water Restoration
Profit & Loss
 January 1 through December 30, 2021

	Jan 1 - Dec 30, 21
Ordinary Income/Expense	
Income	
Commissison	323,011.72
NYS Tax Refund	6,403.67
Referral Fee	3,680.59
Refund	0.33
Total Job Cost	5,556,584.33
Total Income	5,889,680.64
Cost of Goods Sold	
Subcontractors Expense	2,616,959.91
Worker's Compensation Insurance	122,264.43
Total COGS	2,739,224.34
Gross Profit	3,150,456.30
Expense	
2008FORDVIN9346	12,389.00
Advertising and Promotion	292,578.16
Annual Membership Fee	595.00
Bank Service Charges	25.00
Charity/Donation	17,286.78
Consulting Services	20,000.00
Dump	69,755.07
Equipment Rental for Jobs	46,856.08
Fee	-25.00
Gas for Vehicles	134,991.79
Health Insurance Expense	70,197.63
Insurance Expense	115,899.25
Materials	263,934.26
Meals and Entertainment	21,934.23
Office Supplies	66,287.90
Paychex Fees	10,442.98
Payroll Expenses	930,589.98
Payroll Tax	71,383.14
Professional Fees	133,878.38
Rent Expense	109,584.70
Saratoga Merchant Account	400.00
software	26,566.79
Tax Return Preparation	6,191.25
Telephone Expense	19,222.24
Travel Expense	5,446.35
Uniforms	17,420.64
Utilities	18,985.02
Vehicle Expense	38,876.79
Total Expense	2,521,693.41
Net Ordinary Income	628,762.89
Net Income	628,762.89

Tech East Fire & Water Restoration
Balance Sheet
As of October 31, 2022

POST - Closing
BALANCE Sheet

	<u>Oct 31, 22</u>	Revised 10/31 with refi
ASSETS		
Current Assets		
Checking/Savings		
Bank fees	69.42	69.42
cash tax account	340.88	340.88
Checking - Saratoga	159,004.61	159,004.61
Key Bank-Checking	898.15	898.15
Total Checking/Savings	160,313.06	160,313.06
Accounts Receivable		
Accounts Receivable	1,401,121.77	1,401,121.77
Total Accounts Receivable	1,401,121.77	1,401,121.77
Total Current Assets	1,561,434.83	1,561,434.83
Fixed Assets		
Accumulated Depreciation	-1,320,544.99	(1,320,544.99)
Equipment	662,739.75	662,739.75
vehicles	771,171.36	771,171.36
Total Fixed Assets	113,366.12	113,366.12
Other Assets		
shareholder loan	1,043,338.85	1,043,338.85
Total Other Assets	1,043,338.85	1,043,338.85
TOTAL ASSETS	<u>2,718,139.80</u>	<u>2,718,139.80</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable	-1,265.00	(1,265.00)
Total Accounts Payable	-1,265.00	(1,265.00)
Other Current Liabilities		
Sales Tax Payable	56,002.09	56,002.09
Total Other Current Liabilities	56,002.09	56,002.09
Total Current Liabilities	54,737.09	54,737.09
Long Term Liabilities		
LoanPay-AFG6039525	49,701.39	49,701.39
LoanPay-CAPITALONDECK	180,333.32	180,333.32
LoanPay-SaratogaEqptLoan2	13,611.00	13,611.00
Note Pay- 17 Chvy Silv #8841	13,846.36	13,846.36
Note Pay- 2018 Ram5952	8,112.42	8,112.42
Note Pay-2017 Transit Van 6239	5,756.16	5,756.16
Note Pay-2018 Ram 2588	8,661.96	8,661.96
Note Payable-2019 GMC Sierra De	24,709.59	24,709.59
NotePay-2015GMC SIERRA5309	25,733.65	25,733.65
NotePay-2016chevy#3882	20,532.54	20,532.54
NotePay-2016VermeerBC#3751	32,955.15	32,955.15
NotePay-2018ExpCargoVan#7719	8,374.87	8,374.87
NotePay-2019RAMPROMASTER#3632	16,109.32	16,109.32
NotePay-2022GMC SIERRA#7104	57,833.90	57,833.90
NotePay-2022trailer#8812	14,065.12	14,065.12
NotePay-ALTEC7500#0810	80,807.05	80,807.05
NotePay-Bobcatloader#1691	28,134.04	28,134.04
NotePay-CreditLine#9759	194,340.28	(194,340.28)
NotePay-SaratogaEqpt.loan8093	13,615.84	13,615.84
NotePay-SaratogaLoan#7107	378,368.54	(378,368.54)
NotePay-Steramist2020	40,994.39	(35,425.65)
NotePay-TempLOCSAR#9759	-1,904.17	(1,904.17)
NotePay2019GMC Sierra#1335	29,046.02	29,046.02
NotePay2020chvysilverado#2357	51,683.76	51,683.76
Saratoga LOC	141,865.53	(141,865.53)
Total Long Term Liabilities	1,437,288.03	687,288.03
Total Liabilities	1,492,025.12	742,025.12
Equity		
common stock	4,500.00	4,500.00
Distributions	-173,109.71	(173,109.71)
Owner contributions	0.00	750,000.00
Opening Balance Equity	-16,123.12	(16,123.12)
Retained Earnings	122,212.46	122,212.46
treasury stock	-22,500.00	(22,500.00)
Net Income	1,311,135.05	1,311,135.05
Total Equity	1,226,114.68	1,976,114.68
TOTAL LIABILITIES & EQUITY	<u>2,718,139.80</u>	<u>2,718,139.80</u>

- not saying these are the loans to be paid off,
just using these as an example of what the new funds
will be used for