

OFFICE OF FINANCE PROGRAMS  
MARYLAND SMALL BUSINESS  
DEVELOPMENT FINANCING  
AUTHORITY

(MSBDFA)

ANNUAL FINANCIAL STATUS REPORT  
FISCAL YEAR 2011  
ECONOMIC DEVELOPMENT  
ARTICLE

SECTION  
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Submitted by:

Maryland Department of Business and Economic Development

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MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY  
(MSBDFA)

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**MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY (MSBDFA)**

**History and Program Description**

The Maryland Small Business Development Financing Authority (MSBDFA) program was created by the Maryland General Assembly in 1978. The original purpose of the program was to promote the viability and expansion of businesses owned by economically and socially disadvantaged entrepreneurs. In the 2001 session of the Maryland General Assembly, House Bill 945 and Senate Bill 789 modified the MSBDFA statute concerning eligibility. The program's client base has been broadened to include all small businesses rather than only those that are owned by economically and socially disadvantaged entrepreneurs. The statute has been expanded to include small businesses that do not meet the established credit criteria of financial institutions, and consequently are unable to obtain adequate business financing on reasonable terms through normal financing channels. The Department has engaged Meridian Management Group (MMG) to manage the program on the Department's behalf.

MSBDFA's financing activity continues to be supported through the repayment of loans, generation of interest income and the collection of fees. A brief summary of the program components of MSBDFA is provided below:

**Contract Financing Program (CFP)** provides financial assistance to eligible businesses in the form of direct loans and loan guaranties. The funds may be used for working capital and the acquisition of equipment needed to begin, continue, or complete work on contracts where a majority of funds are provided by a federal, state or local government agency or utilities regulated by the Public Service Commission. Financing in either form is limited to \$2,000,000 and must be repaid during the term of the contract. Interest rates range from the prevailing prime to prime plus 2 percent. Applicants may qualify for financing prior to contract award.

**Guaranty Fund Program (GFP)** provides financial assistance to eligible businesses in the form of loan guaranties and interest rate subsidies for loans made by financial institutions. A loan guaranty cannot exceed the lesser of 80 percent of the loan or \$2,000,000. Guaranties cannot exceed 10 years with an interest rate charged by the financial institution limited to prime plus two percent. GFP can also subsidize up to four percentage points of the interest being charged by the financial institution making the loan. The subsidy is subject to an annual review. Terms of repayment of the subsidy are negotiated directly with the borrower. Loan proceeds can be used for working capital, the acquisition and installation of machinery or equipment, refinancing of existing debt and the purchase of, and improvements to, real property owned or leased by the applicant.

**Surety Bond Program (SBP)** assists eligible small businesses in obtaining bid, performance or payment bonds necessary to perform on contracts where the majority of funds are provided by a government agency, public utility company or private entity. SBP directly issues bid, performance or payment bonds or guarantees a surety's losses incurred as a result of the contractor's breach of a bid, performance or payment bond. Bonds that are directly issued are limited to \$5,000,000. Guaranties are limited to 90% of the face value of the bond not to exceed a maximum participation of \$5,000,000. Guaranties on bonds remain in effect for the duration of the surety's exposure under the bond. Bonds issued directly will remain in effect for the duration of the qualified contract and any related warranty period. Bond premiums generally range from 2% to 3%. Also, a surety bond revolving line of credit may be established to directly issue or guaranty multiple bonds to a client within pre-approved terms, conditions and limitations.

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**Equity Participation Investment Program's (EPIP)** purpose is to expand business ownership by socially and economically disadvantaged entrepreneurs and small businesses that do not meet the established credit criteria of financial institutions and are unable to obtain adequate business financing on reasonable terms through normal financing channels. Financial assistance is provided through the use of loans, loan guaranties, and equity investments. The proceeds are used for the specific purpose of purchasing a franchise, acquiring an existing profitable business, developing a technology-based business and to start or expand other types of small businesses. Equity investments may take the form of the purchase of qualified securities, certificates of interest, interest in a limited partnership or other debt and equity investments. All equity investments must be disposed of by the end of the seventh year. Before a financing relationship is begun, a general agreement regarding the probable method of liquidation must be developed. The most common form of repayment is for the owner to buy back the EPIP investment at a predetermined pricing formula between the fourth and seventh year. In all cases, the recovery amount shall be the greater of its percentage of the current value of the business or the initial investment. The details of the four individual components of EPIP are:

- Franchising Investments are limited to 49% of the total project cost or a maximum of \$2,000,000. The applicant is required to make an equity investment of no less than 10% of the total project costs. An independent appraisal of the business entity may be required to determine its value at the retirement of the debt or investment. Project costs generally range from \$50,000 to \$1 million. This was the first EPIP component to be established.
- Business Acquisitions are limited to 49% of the initial investment or a maximum of \$2,000,000. The applicant is required to make an equity investment of not less than 5% of the total cost of the acquisition. An independent appraisal of the business entity may be required to determine its value at the retirement of the debt or investment. Project costs generally range from \$100,000 to \$3 million. This component was added to the program in 1989.
- Technology Investments are limited to a maximum of \$2,000,000 in a business entity with a proven technological product or service. An independent appraisal of the business entity may be required to determine its value at the retirement of the debt or investment. Project costs generally range from \$100,000 to \$3,000,000. This component was added to the program in 1992.
- Other Small Businesses are limited to a maximum of \$2,000,000 to start or expand a business. An independent appraisal of the business may be required to determine its value at the retirement of the debt or investment. Project costs generally range from \$100,000 to \$3,000,000. This component was added to the program in July 2005.

Collectively, the MSBDFDA program has financed approximately 797 transactions for nearly 563 businesses since operations begin in January 1980. Financial assistance for these transactions totaled approximately \$175.4 million. The MSBDFDA program has had a substantial impact on Maryland's economy by helping local businesses create and retain approximately 18,870 employment opportunities in Maryland since the start of the program.

The MSBDFDA program strives to preserve its capital base by minimizing loan losses. However, it is important to understand that the client population consistently presents a risk profile that diminishes their attractiveness to commercial banks and commercial surety companies. During the last 5 years, the program incurred aggregate net losses and claims paid of \$672,669 on average total outstanding loan balances equal to \$23,618,321. This equates to a loss rate of 3.0%. With the exception of the Surety Bond program component, problem loans are managed directly by the Office of Finance Programs (OFP). Loans deemed to be at especially high risk are transferred to the OFP for monitoring and resolution.

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The program strives to help businesses achieve long-term objectives of growth and profitability. To accomplish this objective, the financing must be structured to build equity and expand market share, ultimately

enabling the business to graduate from the program by repaying their loan (or satisfying bonding requirements) and obtaining financing from traditional sources (banks and commercial sureties). MSBDFA had 43 companies graduate during the past 5 years. This process generally takes an average of approximately 3 years.

The program's current portfolio is comprised of eighty three (83) transactions with an aggregate exposure equal to \$32.7 million. As of June 30, 2011, six (6) additional loans were pending settlement, requiring a commitment of funds from the program in the amount of \$638,000. Additionally, requests for another ten (10) loans that would require a \$5.1 million commitment of funds are under consideration.

### **CONTRACT FINANCING PROGRAM**

#### **Performance Since Inception**

Since the program began, 298 transactions have been settled totaling \$45.0 million. Substantially all of the loans were provided directly by MSBDFA. The others received funding from financial institutions supported by a MSBDFA loan guaranty.

#### **Program Performance 2011**

During fiscal year 2011, thirteen (13) applications were approved for financing totaling \$1.6 million, including \$225,000 of pre-existing exposure. Seven (7) loans settled for a total of \$850,000, including \$225,000 of pre-existing exposure. Two (2) approvals in the amount of \$125,000 are anticipated to settle in the next fiscal year and six (6) approvals in the amount of \$1,010,000 were withdrawn, expired or rescinded. Total exposure for the Contract Financing component of the program as of the end of the fiscal year was \$4.4 million covering seventeen (17) loans. Eight (8) loans totaling \$2.5 million were renewed or modified during the fiscal year.

#### **Projected Performance for FY 2012**

The program projects the approval of fourteen (14) applications during FY 2012. Approximately nine (9) of these approvals are anticipated to close. The total amount of funds extended is projected to be \$2.2 million. The majority of financings continue to be in the form of direct loans. The trend of minimal use of the guaranty capability under Contract Financing is not likely to change because assistance is restricted to clients engaged in contracts with government entities or utility companies. Conversely, the more active use of guarantees will be concentrated under the Guaranty Fund, which is not limited to government and utility contract opportunities.

### **LONG TERM GUARANTY PROGRAM**

#### **Performance Since Inception**

This program component has settled guaranty transactions for 296 financings by banks and other lending institutions totaling \$56.4 million since legislation was enacted to commence program operations in 1984.

#### **Program Performance 2011**

During fiscal year 2011, sixteen (16) applications were approved for \$9.0 million, requiring guarantee support by the program of \$2.9 million. The program settled ten (10) guarantee transactions for \$7.1 million, which will utilize \$2.2 million of guarantee support. Two (2) approvals in the amount of \$255,000 were withdrawn, expired or rescinded. Four (4) approvals for \$1.7 million, requiring guarantee support in the amount of \$513,000 are anticipated to close during the next fiscal year.

**Projected Performance for FY 2012**

A significant level of marketing activity is conducted by Meridian Management Group (MMG) during the fiscal year. Much of it is directed toward the commercial banking community and other small business advocacy organizations, and emphasizes the benefit and value of the Guaranty Fund. Unfortunately, the current economic crisis, including more stringent commercial bank lending criteria continues to have an adverse effect upon program activity levels. New efforts are being made to reach out to economic development corporations across the State to enlist their help to encourage local banks to consider use of the Guaranty Fund in small business lending efforts. As financial institutions begin to increase commercial lending activities, MMG's efforts are anticipated to generate an increase in program activity during FY2012. A total of sixteen (16) loans are projected to be approved during fiscal year 2012. At least ten (10) are projected to close, requiring the commitment of program funds equal to approximately \$2.4 million.

**SURETY BOND PROGRAM**

**Performance Since Inception**

One Hundred four (104) projects have settled with bonds issued directly, or guaranteed, by the MSB DFA program since inception of the program in 1984. This equates to approximately \$56.1 million of financial assistance since inception. During this time period, five (5) claims equal to approximately \$405,928 have been paid as a result of defaults by companies using the program.

**Program Performance 2011**

During fiscal year 2011, four (4) applications were approved for a total of \$2.2 million. Three (3) surety bond transactions closed, including one approval from the prior fiscal year. These closings required the commitment of \$2.2 million in program funds. One (1) approval in the amount of \$40,000 was withdrawn, expired or rescinded. There were sixteen (13) bonding lines in the portfolio as of June 30, 2011 with bonds outstanding totaling \$7.9 million. Total commitments under the bonding lines of credit totaled \$16.4 million. Two (2) bonding lines, equal to \$4.5 million, were renewed during the fiscal year.

**Projected Performance for FY 2012**

Demand for bonding assistance is expanding at a rapid pace. The program projects the approval of approximately \$11.8 million during FY 2012 to facilitate bonding for thirteen (13) businesses. Approximately eight (8) transactions are projected to settle and provide an estimated \$7.5 million of assistance. Most of the transactions are anticipated to be in the form of direct bonding lines, but an effort is in process to encourage commercial surety companies to utilize the bond guaranty capability of the program. This will enable the program to extend bonding assistance to a greater number of small businesses. The number of requests for bonding assistance may increase significantly if outreach to commercial surety companies is successful.

Also, the number of requests for bonding assistance may increase because of House Bill (HB 169) which was passed during the 2006 session of Maryland's General Assembly. The new law increased the maximum amount of bonding assistance the program is authorized to provide to \$5 million. Although the program does not have the financial capacity to support \$5 million in bonding to a single client, approval of bonds or bonding lines of credit of up to \$2.0 million are anticipated.

## **EQUITY PARTICIPATION INVESTMENT PROGRAM**

### **Performance Since Inception**

The program has settled ninety three (96) loans or equity investments since inception in 1987. The assistance provided is equal to approximately \$16 million. During earlier years of the programs operation, franchise businesses were the most active users of the resource. Over the past twelve (12) years, however, the trend shifted to a more diverse mix of technology-based companies, franchises, and firms in traditional industry sectors.

### **Program Performance 2011**

During fiscal year 2011, seven (7) loans were approved for a total of \$511,000. Three (3) loans closed, which required the commitment of \$410,000 in program funds. Five (5) loan approvals in the amount of \$341,000 were withdrawn, expired or rescinded. There were twenty eight (28) active accounts as of June 30, 2011, with aggregate outstanding balances of \$5.0 million. One (1) transaction in the amount of \$125,000 was a renewal of an existing commitment.

### **Projected Performance for FY 2012**

The program projects approval of eight (8) applications during FY 2012. Four (4) transactions are anticipated to settle during the fiscal year requiring the commitment of approximately \$840,000 of financial assistance. One (1) approvals are anticipated to be for technology firms, one (1) for a franchise operation, one (1) for a business acquisition, and five (5) will likely be to small businesses in more traditional industry sectors.

### **Program Summary for Fiscal Year 2011**

During fiscal year 2011, MSBDFA approved a total of forty (40) financing transactions for both new and existing clients which required the commitment of \$13million in program funds. The Contract Financing component had thirteen (13) approved requests for a total of \$1.6 million, including \$225,000 of pre-existing exposure. The Guaranty Fund component had sixteen (16) approved requests for a total of \$9 million, which will utilize \$2.9 million of guarantee support. The Surety Bond component had four (4) approved requests totaling \$2.2 million. The Equity Participation Investment Program component had seven (7) approved requests totaling \$511,000.

In addition, MSBDFA approved fifteen (15) renewals or modifications of existing credit facilities totaling \$8.8 million. The renewals or modifications were for eight (8) clients using the Contract Financing component for \$2.5 million, four (4) clients using the Guaranty Fund component in the amount of \$1.7 million, two (2) clients using the Surety Bond component in the amount of \$4.5 million, and one (1) client using the Equity Participation Investment Program component in the amount of \$125,000.

During the same period, twenty three (23) transactions were settled in the form of loans, guaranties and surety bonds, totaling \$5.4 million. The allocation by program is: seven (7) transactions under the Contract Financing component equal to \$850,000, including \$225,000 of pre-existing exposure, ten (10) transactions under the Guaranty Fund component requiring \$2.2 million of guarantee support, three (3) Surety Bonds equal to \$2 million and three (3) EPIP transactions equal to \$410,000.

### **Graduations for Fiscal Year 2011**

Small businesses that progress beyond the need for financial assistance from the MSBDFA program are classified as graduates. In several instances, these businesses are now able to qualify for loans or surety assistance from private lenders or surety companies with minimal or no support from the MSBDFA program. Graduations also include companies that successfully repay their loans or satisfactorily have their bonds released, and no longer require financial assistance. During the past year, the seven (7) companies listed below graduated from the MSBDFA program:

MSBDFA

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**GRADUATIONS FY 11**

<b>PROGRAM</b>	<b>BORROWER</b>	<b>ORIGINAL LOAN AMOUNT</b>
Contract Financing	A + Quality Education, LLC	\$225,000
Contract Financing	Immediate Systems Resources, Inc.	\$1,000,000
Guaranty Fund	Wheeler Automotive, Inc.	\$700,000
Surety Bond Fund	The Riser Academies, Inc.	\$1,000,000
Surety Bond Fund	Janine C. Fleming	\$142,500
Surety Bond Fund	Tote-It, Inc.	\$300,000
EPIP	Carnegie Morgan Information Services, LLC	\$500,000

**Problem Loan Status as of June 30, 2011**

Problem loans are designated as “Special Assets”. As of June 30, 2011, 4 non-performing accounts with aggregate outstanding exposure of \$1.9 million were designated as Special Assets, and are part of the current MSBDFA portfolio. These consist of three (3) Guaranty Fund, and one (1) EPIP transactions. The Guaranty Fund accounts have aggregate guarantee exposure equal to \$615,000. The EPIP account includes two separate loans with a combined principal balance outstanding equal to \$1.3 million. These accounts are monitored closely and are the focus of long term collection efforts. The Department anticipates recovery of a material amount of delinquent loan proceeds.

As of June 30, 2011, eight (8) clients were designated as Watch List accounts. These accounts have aggregate outstanding loan balances equal to \$4.5 million. The accounts had recent operating problems that threatened the solvency of the company, or the completion of a project. The resolution of at least one watch list account (Milestone Tarant, LLC) is anticipated to result in a claim payment in the approximate amount of up to \$2.2 million. The Watch List provides a mechanism for closer monitoring of the accounts. If problems persist, monitoring and collection activities will be intensified. Alternatively, if operating performance improves the Watch List designation may be removed. The Department anticipates that most of these accounts will be removed from the Watch List.

An additional ten (10) Special Asset accounts that were charged-off in prior years are no longer part of the current MSBDFA portfolio, but continue to be the focus of long term collection efforts. These accounts have aggregate outstanding loan balances equal to \$1.8 million. Three accounts were abandoned during fiscal year 2011 because collection efforts have been fully exhausted. These accounts had aggregate outstanding balances equal to \$664,350.

A loan is considered to be delinquent when the payment of principal and/or interest is over **30** days past due, and in payment default when a payment is over **90** days past due. For loans from financial institutions that participate in the Guaranty Fund, the lender’s loan policy determines when a default is to be declared. In FY02, DBED initiated a policy to “charge off” all loans that are 180 days past due. These loans are then designated as “Special Assets” and are actively managed in an effort to protect or recover the State’s resources.

**Equity Participation Investment Program Summary**

**Franchising Component**

There are two (2) accounts with a balance outstanding equal to \$504,934.

**Business Acquisition Component**

There are five (5) accounts with a balance outstanding equal to \$1,969,726.

**Technology Component**

There are seven (7) accounts with a balance outstanding equal to \$1,763,247.

**Other Business Types**

There are fourteen (14) accounts with maximum exposure in the amount of \$1,713,769, which includes loan balances outstanding equal to \$563,769, and credit availability under Surety Bonds and Lines of Credit equal to \$1,150,000.

**DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

**Geographical Distribution of MSBDF A**

**Loans and Guarantees FY 2011**

Region*	County	Approved			Closed		
		No.	%	Original Expos.	No.	%	Original Expos.
			Total Amt	Loan Amt.		Total Amt	Loan Amt.
I Central Maryland	Anne Arundel	3	16.14	1,128,800	2	18.68	1,013,800
	Baltimore City	13	21.76	1,522,140	7	16.77	910,140
	Baltimore	1	0.72	50,000	0	0.0	0
	Carroll	0	0.0	0	0	0.0	0
	Cecil	0	0.0	0	0	0.0	0
	Howard	5	14.14	989,000	3	11.06	600,000
	Harford	1	1.07	75,000	1	1.38	75,000
	Sub-Total :	23	53.50	3,764,940	13	47.89	2,598,940
II Greater Washington	Frederick	1	2.50	250,000	0	0.0	0
	Montgomery	0	0.0	0	0	0.0	0
	Prince George's	14	35.00	2,829,000	9	47.68	2,587,500
	Sub-Total :	15	37.50	3,079,000	9	47.68	2,587,500
III Western Maryland	Allegany	0	0.0	0	0	0.0	0
	Garrett	0	0.0	0	0	0.0	0
	Washington	0	0.0	0	0	0.0	0
	Sub-Total :	0	0.0	0	0	0.0	0
IV Southern Maryland	Calvert	0	0.0	0	0	0.0	0
	Charles	0	0.0	0	0	0.0	0
	St. Mary's	0	0.0	0	0	0.0	0
	Sub-Total :	0	0.0	0	0	0.0	0
V Upper Eastern Shore	Caroline	0	0.0	0	0	0.0	0
	Kent	0	0.0	0	0	0.0	0
	Queen Anne's	2	5.00	149,000	1	4.43	240,000
	Talbot	0	0.0	0	0	0.0	0
	Sub-Total :	2	5.0	149,000	1	4.43	240,000
V Lower Eastern Shore	Dorchester	0	0.0	0	0	0.0	0
	Somerset	0	0.0	0	0	0.0	0
	Wicomico	0	0.0	0	0	0.0	0
	Worcester	0	0.0	0	0	0.0	0
	Sub-Total :	0	0.0	0	0	0.0	0
	<b>TOTAL:</b>	<b>40</b>	<b>100</b>	<b>6,992,940</b>	<b>23</b>	<b>100</b>	<b>5,426,440</b>

**DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

# Approved Report

**7/1/2010 Through 6/30/2011**

<i>Approved Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees Pro /</i>	<i>New Retained Jobs</i>	<i>Jobs</i>
<i>MSBDFA Contract Financing Direct</i>										
8/12/2010	STAR Associates, Inc.	7930401	\$50,000.00	0.0%	\$0.00	Baltimore City	\$50,000.00	N/A	12	0
9/9/2010	SNS Construction, Inc.	12000102	\$100,000.00	0.0%	\$0.00	Howard	\$350,000.00	N/A	3	1
9/9/2010	Warren Brothers Construction, LLC	11980101	\$100,000.00	0.0%	\$0.00	Prince George's	\$100,000.00	N/A	15	10
11/10/2010	All Pro Glass, Llc	12130101	\$200,000.00	0.0%	\$0.00	Prince George's	\$600,000.00	N/A	7	3
12/13/2010	Hawkeye Construction, LLC	11010201	\$200,000.00	0.0%	\$0.00	Baltimore City	\$200,000.00	N/A	10	30
12/13/2010	Superior Technology Solutions, Inc	12180101	\$200,000.00	0.0%	\$0.00	Baltimore City	\$200,000.00	N/A	6	2
12/13/2010	JPS Services, Inc. dba JPS	10280101	\$10,000.00	0.0%	\$0.00	Baltimore	\$0.00	N/A	0	0
3/10/2011	Linwood C. Scott Jr. Inc. dba LCSJ	12380101	\$50,000.00	0.0%	\$0.00	Prince George's	\$50,000.00	N/A	8	2
4/14/2011	RWH Associates, LLC	12500101	\$50,000.00	0.0%	\$0.00	Prince George's	\$50,000.00	N/A	1	1
4/28/2011	Knight Sky Consulting and	12610101	\$250,000.00	0.0%	\$0.00	Frederick	\$250,000.00	N/A	3	3
5/12/2011	Consolidated Services,	7500201	\$300,000.00	0.0%	\$0.00	Harford	\$300,000.00	N/A	0	55
5/25/2011	Intelligent Fiscal Optimal	12770101	\$75,000.00	0.0%	\$0.00	Howard	\$75,000.00	N/A	3	2
6/9/2011	Queen's Quality Painting, LLC	12710101	\$50,000.00	0.0%	\$0.00	Baltimore	\$50,000.00	N/A	1	3.5
<b>Totals:</b>		<b>13 Loans</b>	<b>\$1,635,000.00</b>		<b>\$0.00</b>		<b>\$2,275,000.00</b>	<b>0</b>	<b>69</b>	<b>112.5</b>
<i>MSBDFA Guaranty Fund</i>										
8/12/2010	Cambridge Industries, Inc.	7240201	\$106,000.00	75.0%	\$79,500.00	Baltimore City	\$570,000.00	N/A	0	0
8/27/2010	Japan Plus Four, Inc.	11900101	\$1,860,000.00	27.4%	\$509,640.00	Anne Arundel	\$2,325,000.00	N/A	0	6
8/27/2010	Japan Plus Two, Inc.	11890101	\$860,000.00	27.4%	\$235,640.00	Baltimore City	\$1,075,000.00	N/A	0	6
8/27/2010	Japan Plus, Inc.	11870101	\$1,840,000.00	27.4%	\$504,160.00	Anne Arundel	\$2,300,000.00	N/A	0	6
9/9/2010	Gulzar, Inc.	11990101	\$1,000,000.00	25.0%	\$250,000.00	Howard	\$1,300,000.00	N/A	0	6
10/14/2010	STAR Associates, Inc.	7930501	\$80,000.00	50.0%	\$40,000.00	Baltimore City	\$80,000.00	N/A	12	0

**DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

<i>Approved Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees Pro /</i>	<i>New Jobs</i>	<i>Retained Jobs</i>
10/14/2010	Zavda Technologies, LLC	12010101	\$300,000.00	50.0%	\$150,000.00	Prince George's	\$300,000.00	N/A	10	10
11/10/2010	Arham Enterprises, Inc.	12140101	\$1,256,000.00	25.0%	\$314,000.00	Howard	\$1,566,000.00	N/A	0	6
11/10/2010	Center for Therapeutic Concepts,	12120101	\$25,000.00	50.0%	\$12,500.00	Prince George's	\$25,000.00	N/A	4	1
11/18/2010	Northwood Appold Community	12110101	\$585,000.00	42.7%	\$250,000.00	Baltimore City	\$585,000.00	N/A	6	36
12/13/2010	Pridgen Funeral Service, PA	12210101	\$68,000.00	50.0%	\$34,000.00	Prince George's	\$993,000.00	N/A	3	1
1/20/2011	Auto Glass Warehouse, LLC	12260101	\$250,000.00	50.0%	\$125,000.00	Prince George's	\$250,000.00	N/A	3	7
2/10/2011	Kayden Premier Enterprises, Inc.	11030301	\$250,000.00	50.0%	\$125,000.00	Baltimore City	\$250,000.00	N/A	10	10
3/10/2011	Steel City Ice Cream Co. dba	12360101	\$230,000.00	50.0%	\$115,000.00	Anne Arundel	\$230,000.00	N/A	4	1
5/12/2011	Angarai International Inc &	12650101	\$250,000.00	50.0%	\$125,000.00	Prince George's	\$528,000.00	N/A	5	10
5/12/2011	G&D Construction, LLC	12660101	\$25,000.00	50.0%	\$12,500.00	Prince George's	\$25,000.00	N/A	5	15
<b>Totals:</b>		<b>16 Loans</b>	<b>\$8,985,000.00</b>		<b>\$2,881,940.00</b>		<b>\$12,402,000.00</b>	<b>0</b>	<b>0</b>	<b>62 121</b>
<i>MSBDF A Surety Bond Direct</i>										
9/9/2010	Environmental Engineering &	4061201	\$1,500,000.00	0.0%	\$0.00	Prince George's	\$6,500,000.00	N/A	5	0
9/9/2010	SNS Construction, Inc.	12000101	\$250,000.00	0.0%	\$0.00	Howard	\$0.00	N/A	0	0
10/14/2010	Anitra Trona Gaines Edmond	12020101	\$40,000.00	0.0%	\$0.00	Prince George's	\$0.00	N/A	0	0
11/10/2010	All Pro Glass, Llc	12130102	\$400,000.00	0.0%	\$0.00	Prince George's	\$0.00	N/A	0	0
<b>Totals:</b>		<b>4 Loans</b>	<b>\$2,190,000.00</b>		<b>\$0.00</b>		<b>\$6,500,000.00</b>	<b>0</b>	<b>5</b>	<b>0</b>
<i>MSBDF A EPIP Other Small Business</i>										
10/14/2010	Anitra Trona Gaines Edmond	12020102	\$30,000.00	0.0%	\$0.00	Prince George's	\$70,000.00	N/A	1	2
7/15/2010	Janine C. Fleming dba Holistic	9240201	\$150,000.00	0.0%	\$0.00	Baltimore City	\$150,000.00	N/A	2	6
10/14/2010	Kent Cabinetry and Millwork, Inc.	10810201	\$44,000.00	0.0%	\$0.00	Queen Anne's	\$44,000.00	N/A	0	0
12/13/2010	JPS Services, Inc. dba JPS	10280201	\$12,000.00	0.0%	\$0.00	Baltimore	\$62,000.00	N/A	2	27
2/10/2011	Champion Improvements, Inc.	12280101	\$105,000.00	0.0%	\$0.00	Queen Anne's	\$105,000.00	N/A	0	4
4/14/2011	Habakkuk Music, Inc.	12530101	\$100,000.00	0.0%	\$0.00	Baltimore City	\$170,000.00	N/A	2	4
4/14/2011	Habakkuk Music, Inc.	12530102	\$70,000.00	0.0%	\$0.00	Baltimore City	\$0.00	N/A	0	0
<b>Totals:</b>		<b>7 Loans</b>	<b>\$511,000.00</b>		<b>\$0.00</b>		<b>\$601,000.00</b>	<b>0</b>	<b>7</b>	<b>43</b>
<b>Grand Totals:</b>		<b>40 Loans</b>	<b>\$13,321,000.00</b>		<b>\$2,881,969.00</b>		<b>\$21,778,000.00</b>	<b>0</b>	<b>0</b>	<b>143 276.5</b>

**DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

# Settled Report

**7/1/2010 Through 6/30/2011**

<i>Settled Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees Pro /</i>	<i>New Jobs</i>	<i>Retained Jobs</i>
<i>MSBDFEA Contract Financing Direct</i>										
1/7/2011	All Pro Glass, Llc	12130101	\$200,000.00	0.0%	\$0.00	Prince George's	\$600,000.00	N/A	7	3
4/1/2011	SNS Construction, Inc.	12000102	\$100,000.00	0.0%	\$0.00	Howard	\$350,000.00	N/A	3	1
4/11/2011	Warren Brothers Construction, LLC	11980101	\$100,000.00	0.0%	\$0.00	Prince George's	\$100,000.00	N/A	15	10
5/13/2011	STAR Associates, Inc.	7930401	\$50,000.00	0.0%	\$0.00	Baltimore City	\$50,000.00	N/A	12	0
6/24/2011	Linwood C. Scott Jr. Inc. dba LCSJ	12380101	\$50,000.00	0.0%	\$0.00	Prince George's	\$50,000.00	N/A	8	2
6/30/2011	Consolidated Services,	7500201	\$300,000.00	0.0%	\$0.00	Harford	\$300,000.00	N/A	0	55
6/30/2011	RWH Associates, LLC	12500101	\$50,000.00	0.0%	\$0.00	Prince George's	\$50,000.00	N/A	1	1
<b>Totals:</b>		<b>7 Loans</b>	<b>\$850,000.00</b>		<b>\$0.00</b>		<b>\$1,500,000.00</b>	<b>0</b>	<b>46</b>	<b>72</b>
<i>MSBDFEA Guaranty Fund</i>										
9/8/2010	Japan Plus Four, Inc.	11900101	\$1,860,000.00	27.4%	\$509,640.00	Anne Arundel	\$2,325,000.00	N/A	0	6
9/8/2010	Japan Plus Two, Inc.	11890101	\$860,000.00	27.4%	\$235,640.00	Baltimore City	\$1,075,000.00	N/A	0	6
9/8/2010	Japan Plus, Inc.	11870101	\$1,840,000.00	27.4%	\$504,160.00	Anne Arundel	\$2,300,000.00	N/A	0	6
10/25/2010	Gulzar, Inc.	11990101	\$1,000,000.00	25.0%	\$250,000.00	Howard	\$1,300,000.00	N/A	0	6
3/25/2011	Cambridge Industries, Inc.	7240201	\$106,000.00	75.0%	\$79,500.00	Baltimore City	\$570,000.00	N/A	0	0
5/6/2011	Northwood Appold Community	12110101	\$585,000.00	42.7%	\$250,009.00	Baltimore City	\$585,000.00	N/A	6	36
5/20/2011	Kayden Premier Enterprises, Inc.	11030301	\$250,000.00	50.0%	\$125,000.00	Baltimore City	\$250,000.00	N/A	10	10
6/8/2011	Zavda Technologies, LLC	12010101	\$300,000.00	50.0%	\$150,000.00	Prince George's	\$300,000.00	N/A	10	10
6/29/2011	G&D Construction, LLC	12660101	\$25,000.00	50.0%	\$12,500.00	Prince George's	\$25,000.00	N/A	5	15
6/30/2011	Auto Glass Warehouse, LLC	12260101	\$250,000.00	50.0%	\$125,000.00	Prince George's	\$250,000.00	N/A	3	7
<b>Totals:</b>		<b>10 Loans</b>	<b>\$7,076,000.00</b>		<b>\$2,241,440.00</b>		<b>\$8,980,000.00</b>	<b>0</b>	<b>0</b>	<b>34 102</b>

**DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

<i>Settled Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees Pro /</i>	<i>New Retained Jobs</i>	<i>Jobs</i>
<i>MSBDF A Surety Bond Direct</i>										
10/15/2010	Environmental Engineering &	4061201	\$1,500,000.00	0.0%	\$0.00	Prince George's	\$6,500,000.00	N/A	5	0
1/7/2011	All Pro Glass, Llc	12130102	\$400,000.00	0.0%	\$0.00	Prince George's	\$0.00	N/A	0	0
4/1/2011	SNS Construction, Inc.	12000101	\$250,000.00	0.0%	\$0.00	Howard	\$0.00	N/A	0	0
<b>Totals:</b>		<b>3 Loans</b>	<b>\$2,150,000.00</b>		<b>\$0.00</b>		<b>\$6,500,000.00</b>	<b>0</b>	<b>5</b>	<b>0</b>
<i>MSBDF A EPIP Other Small Business</i>										
1/28/2011	Kent Cabinetry and Millwork, Inc.	10810101	\$240,000.00	0.0%	\$0.00	Queen Anne's	\$541,000.00	N/A	2	3
6/28/2011	Habakkuk Music, Inc.	12530101	\$100,000.00	0.0%	\$0.00	Baltimore City	\$170,000.00	N/A	2	4
6/28/2011	Habakkuk Music, Inc.	12530102	\$70,000.00	0.0%	\$0.00	Baltimore City	\$0.00	N/A	0	0
<b>Totals:</b>		<b>3 Loans</b>	<b>\$410,000.00</b>		<b>\$0.00</b>		<b>\$711,000.00</b>	<b>0</b>	<b>0</b>	<b>4 7</b>
<b>Grand Totals:</b>		<b>23 Loans</b>	<b>\$10,486,000.00</b>		<b>\$2,241,440.00</b>		<b>\$17,691,000.00</b>	<b>0</b>	<b>0</b>	<b>89 181</b>