

SBA 504 Loan Requests

- I. Big Sky EDC is requesting approval to submit to the US Small Business Administration the following SBA 504 loan requests. The Big Sky EDC Loan Committee has reviewed the requests and recommends approval to the full EDC Board for submission to the SBA for final approval. The requests meet all the underwriting and eligibility requirements of the EDC.

1. **ACPRE I, Inc. / MTHI, LLC (Auctus Capital Partners)** – Request is for the purchase of a commercial real estate property for Auctus Capital Partners (ACP). Auctus Capital Partners is an existing business located in Bozeman, MT. Chris Rosenstock founded ACP in 2014 and is 100% owner. ACP currently leases office space, and this purchase will allow them to expand their operations. ACP provides asset management services for properties acquired by Rosenstock as part of joint ventures. These properties are primarily apartment complexes and senior housing properties. SBA eligibility is met.

The total SBA debenture is estimated to be \$1,071,000 on a 25-year note comprising 40% of the total project costs. Big Sky EDC and the SBA will be in a 2nd lien position on the real property behind First Security Bank – Division of Glacier Bank, Bozeman. There are projected to be 6 new jobs created and 6 jobs retained because of this project. The project meets Public Policy goals for Rural Development as well as being located in a HubZone.

2. **Creative Beginnings Daycare LLC / MCPM LLC** – Purpose of the request is for the purchase of the commercial real estate property to house Creative Beginnings Daycare LLC. This is an existing daycare and preschool operation that will be expanding with the purchase of this daycare property that currently houses another daycare. The operations will be merged – purchase is only of the real estate, no business value. The daycare is in Helena, MT. Creative Beginnings Daycare LLC was started as an in-home daycare in 2015 in East Helena by Rachel Bray who is 100% owner of the daycare. Rachel's husband, Michael, is 100% of the real estate holding company and is a member of the MT National Guard. With this acquisition, the daycare will have a capacity of up to 100 children.

The total SBA debenture is estimated to be \$626,000 on a 25-year note comprising 40% of the total project costs. Big Sky EDC and the SBA will be in a 2nd lien position on the real property behind Valley Bank of Helena. There are projected to be 14 jobs retained as a result of this project. The project meets Public Policy goals for being a Woman Owned business, Veteran Owned business and Rural Development.

3. **Timberview Properties LLC (Wrap Hive, LLC)** – Request is for an update to the loan previously approved at the December 10, 2020, Board Meeting. Loan was initially approved for \$501,000. Amount to be increased to \$502,000. Reason for the increase is professional fees from lender were finalized after the loan submission to SBA. No other changes to the approval. Loan continues to meet all underwriting requirements.

Request is for the purchase of a commercial real estate property for the operations of Wrap Hive, LLC. Wrap Hive, LLC is an existing business located in Kalispell, MT and is relocating to a larger building as they continue to grow and expand. Wrap Hive was started in 2017 and is a one-stop shop specializing in vehicle wraps and other large format graphic needs. They provide services throughout Montana, Idaho and Washington.

The total SBA debenture will be \$502,000 on a 25-year note comprising 40% of the total project costs. Big Sky EDC and the SBA will be in a 2nd lien position on the real property behind Glacier Bank. There are projected to be four new jobs created because of this project. The project also meets a Public Policy goal for Rural Development.