

Workforce Solutions

SBA 504 Loans: The Best Real Estate Financing Tool for Business Owners

By JACKY KIM

THE SBA (Small Business Administration) 504 Loan Program is a powerful economic development loan product that offers businesses the opportunity to own their own buildings, while boosting business growth and job creation. As of February 15, 2012, \$50 Billion in 504 loans has created over 2 million jobs. This program is a proven success and win-win-win for the businesses, the community, participating lenders, and the commercial real estate brokerage and development industries.

Certified Development Companies are non-profit organizations that facilitate the SBA 504 Loan Program, and are certified and regulated by the SBA. Certified Development Companies partner with participating lenders to provide up to 90% financing on an owner-user real estate transaction. Certified Development Companies can help business owners throughout the entire loan process, and ensure that the process is streamlined, efficient, and painless for the business owner.

How are the 504 loans structured?

The SBA provides the 40% second mortgage of the total project costs, a participating lender provides a 50% first mortgage of the project costs, and the business owner provides 10% of the project costs. For example, on a \$10 Million purchase, the SBA provides \$4 Million, the participating lender provides \$5 Million, and the business owner injects \$1 Million.

Why should lenders participate in the 504 Loan Program?

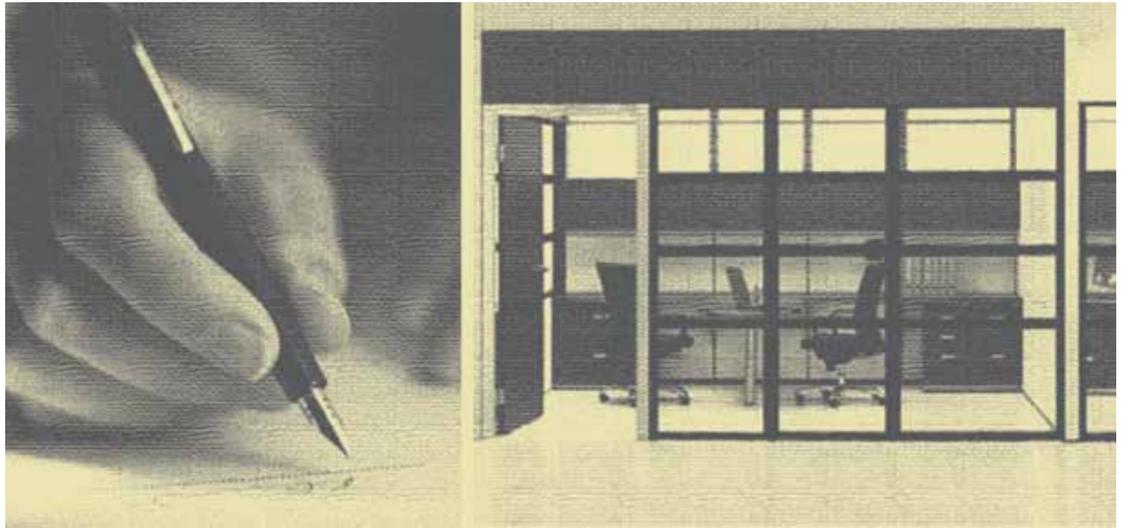
Lenders have first lien position, which minimizes their collateral and credit risk. Lenders can entertain larger projects, assist more customers by leveraging lending capacity, and gain new banking relationships.

Why should commercial real estate brokers and developers know about the 504 Loan Program?

An objective of the program is to help business owners make the change from renting to owning their own buildings. Conventional loan products can require up to 50% equity, which can discourage a business owner from purchasing a commercial property. Business owners often rely on their brokers to identify viable financing options.

Other than real estate purchases, how can 504 funds be used?

504 funds can be used for the purchase of improvements, ground up construction or mod-



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ernization of existing facilities, the purchase of long-term machinery, or the refinancing of existing conventional debt on a business's existing property.

What collateral is needed to secure the loan?

Typically, the only collateral required is the property being financed.

Who can qualify?

Most for profit small to medium sized businesses are eligible, as long as the business occupies 51% or more of the property.

What do you need to obtain a pre-qualification?

The minimal information needed to obtain a pre-qualification are the last 2 years of personal and business tax returns, a year-to-date financial statement dated within the last 90 days, and a personal financial statement.

What is the first step in obtaining an SBA 504 pre-qualification?

Contact a local Certified Development Company, your real estate broker, your banking relationship manager, or the SBA department at your business bank.

What other benefits are there in obtaining an SBA 504 loan?

- Long-Term, Below-Market Fixed Rates; no balloon payments: rates are at historic lows
- Longer Loan Amortizations: amortizations range from 20-30 years
- Less impact on business cash flow: retain liquidity for working capital needs
- Stabilization of long term occupancy costs
- Ability to finance eligible closing and soft costs: retain more liquidity for working capital needs
- SBA fees are financed: retain even more liquidity for working capital needs
- Quick close: 30-45 day closings

The decision to purchase commercial property is one of the biggest decisions a business owner will make. The purchase of a property gives the business owner the flexibility to maximize tax benefits, a vehicle for retirement, and a secure home for their business.

Jacky Kim is with BFC Funding. For more information, she can be reached at jacky@bfcfunding.com or (213) 999-1481.

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Health Insurance Exchanges Improve Access and Choice

By RON GOLDSTEIN

WHILE America waits for the Supreme Court's ruling on the individual mandate, there is another element contained in the Patient Protection and Affordable Care Act (PPACA) that is destined to have a significant impact on businesses throughout Los Angeles and the rest of the nation. That is the requirement that all U.S. states and territories establish and launch their own health insurance exchange by January 1, 2014, or default to a federal fallback program.

Regardless of the Supreme Court decision on the individual mandate, the development of state-run health insurance exchanges will, in all likelihood, continue. After all, under any scenario employers and individuals will still be looking for a vehicle that provides affordable health insurance that meets their needs while providing choice and security. For many, health insurance exchanges may be the answer.

Health insurance exchanges create an online, one-stop shopping mall where employers, consumers, insurance brokers and others can easily view competing health plans side by side, comparing benefits, costs, provider networks and other features. Included in these exchanges are multiple carriers and mul-



Under any scenario employers and individuals will still be looking for a vehicle that provides affordable health insurance that meets their needs while providing choice and security. For many, health insurance exchanges may be the answer.

tiple plans at various benefit levels and price points – platinum, gold, silver and bronze options that are designed to provide a wide range of benefits. These possibilities empower employees to choose a health plan, benefit structure, and provider that best meet their needs and budget. And, for the first time that we're aware of, health insurance exchanges will give consumers and employers similar health insurance options that are

available to members of Congress.

There is much about health insurance exchanges that employers find attractive. That's because both public and private exchanges allow for employers to "self-cap" how much they wish to contribute to their employees' healthcare coverage. Doing so means cost predictability and budget controls. Employers who in the past were unable to provide health benefits because of rising premiums will find

exchanges particularly appealing as exchanges allow them to provide a health benefit in a way that makes financial sense.

Exchanges provide small employers the same advantages commonly available to larger groups by organizing the private insurance market in ways that create a more stable risk pool, greater purchasing power, and more competition among insurers when it comes to



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JACKY KIM

SBA 504 20 YEAR FIXED RATE: 4.29%

SBA 504 10 YEAR FIXED RATE: 3.46%

SBA 504 REFI RATE: 4.45%

SBA 504 LOAN STRUCTURE

10,000,000 PROJECT		
1 st Trust Deed Loan	5,000,000	50%
SBA Loan	4,000,000	40%
Business Owner's Equity Injection	1,000,000	10%

(213) 999 1481

Jacky@BFCfunding.com

1055 WEST 7th Street, Suite 650, Los Angeles, CA 90017

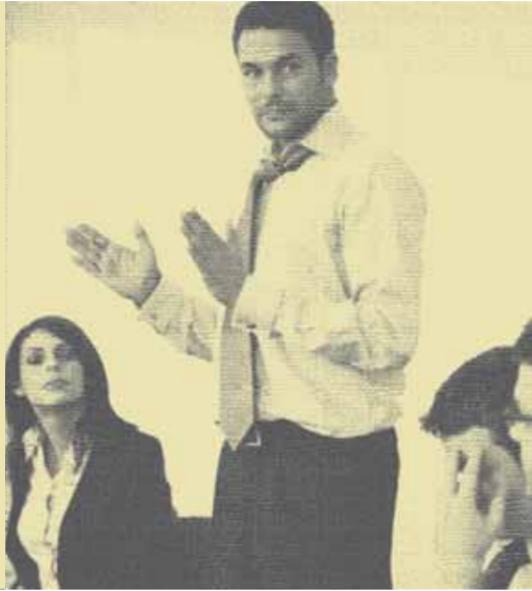
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price, quality and service. And small businesses that purchase their health coverage through an exchange may become eligible under the Small Business Health Option Program for annual tax credits. This is particularly significant here in Los Angeles County, which is home to nearly 240,000 small businesses (1-49 employees) that, over the past decade, have seen their health premiums increase by 117.5 percent.

Exchanges bring employers some additional advantages besides the financial benefits. One of these is ease of administration since exchanges provide a single point of contact for the employer regardless of how many different health plans their employees select. Well-conceived exchanges may also provide employers with real-time analytics including enrollment statistics, consumer satisfaction ratings and population health management. And by empowering their employees to make their own decisions regarding carrier, plan design and costs, exchanges remove employers from the impossible task of trying to select one health plan that works for everyone.

California, as usual, is right where the action is when it comes to health insurance exchanges. Presently, the new California Health Benefits Exchange is working to find the best way to comply with

While no one can know for sure what the future will bring, the Congressional Budget Office estimates that more than eight million people will buy insurance through exchanges in 2014 alone.



the federal mandate and meet the ticking clock. At the same time America's most successful privately run small-group exchange, CaliforniaChoice, continues to grow and serve the market as it has for 16 years, currently providing coverage for 10,000 employers and 150,000 individuals in the state. In doing so they are providing a model for both public and private exchanges to follow going forward.

The best thing employers can do right now is begin to educate themselves on exchanges and start to consider if this model might be a natural fit in their overall employee benefit structure. The place to start this dialogue is with a trusted and licensed broker. For while state-run exchanges will be sold multiple ways - directly, through brokers and through a still-undefined network of navigators - it will continue to be advantageous for

employers to purchase their health insurance coverage through a qualified broker. In fact, the broker's expertise and knowledge will be more important than ever in providing the information and unbiased recommendations employers and benefit managers need to make well-informed decisions as well as to provide service for everything from routine issues to serious policy interpretation issues.

While no one can know for sure what the future will bring, the Congressional Budget Office estimates that more than eight million people will buy insurance through exchanges in 2014 alone. The Deloitte Center for Health Solutions foresees an exchange market of as many as 46 million members by 2019 if the PPACA is implemented without major changes or surprises. If done properly, exchanges have the capacity to help us move to a more rational method of purchasing health coverage while getting society closer to achieving the noble goal of healthcare coverage for all its citizens. And that makes health insurance exchanges the right idea at the right time.

Ron Goldstein, CLU, is president and chief executive officer of CHOICE Administrators, the nation's leading developer and administrator of health insurance exchanges.



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The Top Twenty Hiring Mistakes Countdown

By KARINA B. STERMAN, Esq.

EMployees are the heart and soul of every company. Finding the right employee can be challenging on many different levels and can have a wide variety of legal implications. The following list of Top Twenty Hiring Mistakes that employers make is taken "straight from the headlines," meaning actual client and/or real case examples.

20. Failing to conduct a background check for any employee being hired into a position with access to the funds.

Why? Because discovering that your CFO had committed check fraud or carried huge personal debt after she has embezzled \$1M from your company is too late.

19. Failing to confirm the employment offer in writing, with a confirmation that the employment is at will.

Why? Because despite what you actually said in the interview, the employee heard that he was being offered a job for life. His or hers, not yours.

18. Requiring the employee to sign an unenforceable non-compete agreement as a condition of employment.

Why? Because it's unenforceable and worthless. Worse, refusing to hire an employee for refusing to sign such an unenforceable agreement exposes you to a wrongful termination lawsuit.



Finding the right employee can be challenging on many different levels and can have a wide variety of legal implications.

17. Failing to have the employee fill out a meaningful employment application, even if the employee has submitted a resume.

Why? Because the resume is the "glam shot" of the employee, and does not always address the specific items of importance to your business.

16. Failing to call and verify references provided by the employee about past

employment.

Why? Because they may be fake. Surprised? It happens.

15. Failing to disclose the true working environment, warts and all.

Why? Because if your environment is full of lingerie advertising (because you sell lingerie) and regular expletives, you may be handing a new employee a hostile workplace environment lawsuit if

they don't share your sense of decorum. Find out before you hire. Ideally, get it in writing that he/she won't be bothered by it!

14. Failing to properly classify the position as exempt versus non-exempt.

Why? Because the money you save on the front end will never earn you enough interest to pay what you will owe on the back end. Oh, and you will pay.

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Jeffrey Glassman, Business & Corporate Law

**NONPROFIT
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The Los Angeles Business Journal is proud to present a tribute to the nonprofits and corporate citizens of Los Angeles.

This second annual awards program will honor those professionals and organizations that continue to make a positive impact on the community and do so under difficult financial constraints. Equally as important are the efforts of the corporations supporting these nonprofits. Many corporate executives volunteer time on boards and lend support through financial donations and sponsorships. These awards recognize both equally important groups.

CALL FOR NOMINATIONS

Nomination Deadline: Friday, May 25, 2012

For more information visit labusinessjournal.com/bizevents or contact **Marissa De La Cruz** at **323.549.5225**

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13. Reaching a “mutual agreement” that the employee will be paid as an “independent contractor.”

Why? See response to No. 14 above. Also, two parties' mutual agreement to something illegal does not make it legally enforceable. Take prostitution, for example: still illegal.

12. Failing to identify and communicate true essential requirements of the job.

Why? Because you will likely hire the wrong person for it. And regret it. And have to go through the process all over again.

11. Failing to obtain proof of eligibility to work in the United States.

Why? Because the government is watching. Always. Even when it seems to be fast asleep...and incompetent.

10. Requiring tests of strength for a desk job or tests of IQ for rote manual labor.

Why? Because it's irrelevant, costs you time and money, and is often a disability discrimination lawsuit waiting to happen.

9. Talking instead of listening during the interview.

Why? Because you already have the job. You're trying to find out if the person across from you should have one also. You learn more by listening.

The government is watching. Always. Even when it seems to be fast asleep ... and incompetent.

8. Hiring based on personality instead of bona fide job qualifications.

Why? See responses to Nos. 9 and 10 above and because “fun” or “funny” does not always translate to “valuable long term employee”—just ask Charlie Sheen's former employer.

7. Looking for something different from what is stated in the job ad.

Why? Because you will not be happy with anything you get. If there is conflict between the people hiring and the people who will work with the people hired, it will not work. Seriously.

6. Making assumptions about the applicant's ability based on protected categories (race, gender, pregnancy, national origin, etc.).

Why? Because it's totally illegal. And just beneath you. Don't be lazy. Ask questions about the job and the applicant's skills and experience, and listen to the answers.

5. Asking about the applicant's “protected categories” status (race, gender, pregnancy, national origin, etc.).

Why? Because it's also totally illegal, no matter how “cute that accent” is and how much you “respect the passion of people from Latin countries.”

4. Allowing an employee to work for a family member supervisor.

Why? Because that's just a conflict of interest and you can't rely on the integrity of anything they say about each other. No disrespect, but you either secretly hate your cousin and want to hand it to him or you would totally cover for your baby cousin even

if he's coming in to work in your department hung over most mornings.

3. Overselling and understating the job.

Why? Because the truth will come out. Quickly. And someone will be mad about it. And you will be blamed. And if you still have your job after that, you will have to go through the whole hiring cycle all over again.

2. Requiring a representation of non-pregnancy.

Why? Because it's none of your business. And because it's illegal.

1. Openly seeking an employee “with benefits.”

Why? Hm. Really? I need to answer why? Ok, see answer to No. 13. (Yes, Chicago lawyer Samir Zia Chowhan actually posted an ad on Craigslist for a legal secretary whose duties would include “sexual interaction” with him and his partner. Yes, he was disbarred.)

The overall lessons to be learned here are: be thorough, never assume anything and document your hiring process...just in case.

Karina B. Serman is a partner in the Litigation and Employment Law Departments of ECI. For further employment related law concerns, she can be reached at (310) 273-6333.

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² 2010 Community Reinvestment Act government data.

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SBA Lenders

Ranked by number of L.A. District loans
in fiscal year ended Sept. 30, 2011

Company Street Address City State/Province Postal Code	No. SBA loans approved • 2011 • 2010	Total dollar amount SBA loans • 2011 • 2010	Average SBA loan size	Headquarters website	Person In Charge title Phone
JPMorgan Chase Bank N.A. 300 S. Grand Ave., Fourth Floor Los Angeles CA 90071	290 199	45,013,800 19,382,900	\$155,220	New York chase.com	Bob Gardner specialty finance officer (800) 935-9935
Wells Fargo Bank 333 S. Grand Ave., Suite 820 Los Angeles CA 90071	166 212	68,807,600 60,233,500	414,504	San Francisco wellsfargo.com	Antonio Zate sr. vice president (800) 545-0670
Center Bank 253 N. Western Ave. Los Angeles CA 90004	143 166	140,436,400 56,547,900	982,073	Los Angeles centerbank.com	Chris Kong first vice president (213) 381-2222
CDC Small Business Finance Corp. 80 S. Lake Ave., Suite 528 Pasadena CA 91101	142 145	115,337,500 138,385,000	812,236	San Diego cdcloans.com	Dean Aloe senior commercial lender (626) 529-0700
Mortgage Capital Development Corp. 1055 Wilshire Blvd., Suite 1850 Los Angeles CA 90017	110 68	109,921,000 74,439,000	999,282	San Francisco tmcfinancing.com	Jacky Kim loan officer (213) 406-8009
U.S. Bank 500 N. Brand Blvd., Suite 1960 Glendale CA 91203	110 73	64,570,900 40,672,900	587,008	Minneapolis usbank.com/sba	Erik Daniels sr. vice president (818) 548-7400
Wilshire State Bank 3200 Wilshire Blvd. Los Angeles	CA 90010 88	90 54,018,500 35,146,500	613,847	Los Angeles wilshirebank.com	Anna Chung senior vice president (213) 387-3200

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The Los Angeles Business Journal is proud to announce the 2012 Most Admired CEOs Awards. This event will recognize the significant role that CEO's play in the overall success of a business, the impact that they have on the company culture, and their involvement in the community. We will recognize the CEOs with the most admirable traits that lend to company success in overall business operations and leadership.

Nomination Deadline: Friday, June 1, 2012

Issue Date: July 23, 2012

Awards Luncheon: Week of July 16th
More details to be announced soon!

To nominate or for more information please visit
www.labusinessjournal.com/bizevents
or contact **Marissa De La Cruz** at
mdelacruz@labusinessjournal.com

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SBA Lenders

Company Street Address City State/Province Postal Code	No. SBA loans approved • 2011 • 2010	Total dollar amount SBA loans • 2011 • 2010	Average SBA loan size	Headquarters website	Person In Charge title Phone
EDF Resource Capital Inc. 3129 S. Hacienda Blvd., Suite 303 Hacienda Heights CA 91745	73 69	60,449,000 59,465,000	828,068	Folsom resourcecapital.com	Rodney Kojima regional manager (626) 968-9090
Pacific City Bank 3701 Wilshire Blvd., Suite 402 Los Angeles CA 90010	65 52	35,410,700 30,952,600	544,780	Los Angeles paccitybank.com	John Ju first vice president (213) 355-8823
East West Bank 2090 Huntington Drive, Second Floor San Marino CA 91108	61 24	36,913,000 14,128,000	605,131	Pasadena eastwestbank.com	Wai-Chun Li first vice president (626) 979-5076
Open Bank 1000 Wilshire Blvd., Suite 100 Los Angeles CA 90017	59 24	52,154,900 17,150,000	883,981	Los Angeles myopenbank.com	Ryan Shin sr. v.p., SBA manager (213) 892-9999
California Statewide CDC 300 N. Lake Ave., Suite 425 Pasadena CA 91101	57 58	46,623,000 38,881,000	\$817,947	Davis cscdc.org	Sasha Globa director of business development (800) 982-9192
Borrego Springs Bank N.A. 7777 Alvarado Road, Suite 501 La Mesa CA 91941	53 43	22,092,600 11,794,500	416,842	Borrego Springs b-s-b.net	Stephanie Toomey sr. vice president (800) 722-5720
Superior Financial Group LLC 165 Lennon Lane, Suite 101 Walnut Creek CA 94598	51 133	632,500 1,400,000	12,402	Walnut Creek superiorfg.com	Tim Jochner ceo (877) 675-0500
Commonwealth Business Bank 5055 Wilshire Blvd., Suite 840 Los Angeles CA 90036	48 18	29,337,500 7,976,000	611,198	Los Angeles cwbbank.com	David Um SBA manager (323) 988-3016
City National Bank 555 S. Flower St., Ninth Floor Los Angeles CA 90071	46 19	17,101,600 7,005,000	371,774	Los Angeles cnb.com	David Park v.p., SBA manager (213) 673-8185
Hana Small Business Lending 1000 Wilshire Blvd., 20th Floor Los Angeles CA 90017	44 28	49,287,000 22,665,000	1,120,159	Los Angeles hanasba.com	James Kim SBA manager (888) 476-9788
Seacoast Commerce Bank 200 N. Maryland Ave., Suite 301 Glendale CA 91206	43 35	36,464,500 19,538,600	848,012	Chula Vista seacoastcommercebank.com	Robert Flores SBA business development officer (818) 244-3748
Nara Bank 3731 Wilshire Blvd., Suite 460 Los Angeles CA 90010	37 18	31,318,000 8,961,200	846,432	Los Angeles narabank.com	Sylvester Kim sr. v.p., SBA manager (213) 389-2000
Community Bank 790 E. Colorado Blvd. Pasadena CA 91101	35 42	22,598,800 22,872,100	645,680	Pasadena cbank.com	Deborah Gallagher SBA director (626) 732-1325
Hanmi Bank 928 S. Western Ave., Suite 260 Los Angeles CA 90006	30 20	24,336,000 9,713,500	811,200	Los Angeles hanmi.com	Mike Kim sr. v.p., SBA manager (213) 427-5607
California Bank & Trust 21515 Hawthorne Blvd., Suite 100 Torrance CA 90503	28 12	4,919,200 2,700,000	175,686	San Diego calbanktrust.com	Robert Casanova vice president
Saehan Bank 550 S. Western Ave., Second Floor Los Angeles CA 90020	26 2	33,107,000 1,533,000	1,273,346	Los Angeles saehanbank.com	Justin Moon first v.p., SBA division manager (310) 637-4980
Pacific Enterprise Bank 17748 Sky Park Circle, Suite 100 Irvine CA 92614	25 23	24,355,200 14,286,100	974,208	Irvine pacificenterprisebank.com	Russell Smith executive vice president (949) 623-7600
Premier Commercial Bank N.A. 2400 E. Katella Ave., Suite 625 Anaheim CA 92806	24 9	24,976,400 6,888,700	1,040,683	Anaheim pcboc.com	Mani Subramanian executive vice president (714) 221-7242

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How to Increase Your Chances for a Business Loan

An Inside Look at a Lender's Perspective

By **BETTY RENGIFO URIBE**

As the economy starts to show signs of recovery, many business owners are looking to expand, perhaps bring employees back, and begin to rebuild their business. Business owners can increase their chances of obtaining a small business loan by being prepared and understanding what their lender will be looking for when they review the loan package.

Introductory Letter

An introductory letter will set the business apart from other loan applications. It gives the lender information about the history of the business, the management team and their expertise in the industry, what the business does, who their customers are, their competitors, and how they plan to use the loan. This takes the loan package from an exercise of "crunching the numbers" to enrolling the lender into the business owner's vision.

The Five C's of Credit

This is a method lenders utilize when determining the credit worthiness of potential borrowers. This method looks at five characteristics of the borrower as follows:

• Character

The bank looks at the company and the owner's reputation, and the honesty with which they complete their loan application package. When filling out a loan application, every blank should be filled out. Leaving blank spaces might give the impression that there is something being hidden. If it's not applicable to the business, it is best to put "N/A," rather than leaving blank spaces. Recommendation letters from key customers will also set the business apart.

• Capacity

This measures the borrower's ability to pay the loan, given the company's recurring debt. Some lenders call this "leverage." This includes any recurring payments currently utilized to service a debt obligation. These do not include payments that can be canceled at the payer's request, like newspaper or magazine subscriptions. Normally the lender will look for your total (combined personal and business) cash out-flow to be no more than 40 percent of the cash in-flow.

• Capital

The lender will look at the initial capital investment the borrower made to the business. Additionally, how much capital is the borrower willing to put toward a potential investment and how much owner's equity is in the business. If the borrower is investing in their own company, the bank is more willing to invest with the borrower.

• Collateral

The lender will look at what other sources of repayment the business will have if the cash flow is no longer in place. Lenders will take into consideration real estate, stocks and bonds, cash and accounts receivable.

• Conditions

Environmental conditions play a key role in the decision. During the heart of the recession, banks look for recession-proof businesses like automobile repair shops and some professional industries like medical offices.

Business Plan

Just like a builder utilizes a blueprint to build a struc-



Business owners can increase their chances of obtaining a small business loan by being prepared and understanding what their lender will be looking for when they review the loan package.

ture, and a traveler uses a roadmap to get to their destination, so a business owner must use a well thought out business plan to dramatically increase their odds of succeeding as an entrepreneur. When presenting a loan package to a lender, an organized, well thought out business plan can make the difference between getting the loan and getting a decline letter in the mail.

A business plan will show the lender:

- If the business has a chance of making a profit and in what amount of time.
- Provide a well thought-out estimate of how much the business needs to grow.
- Convince the lender to fund your business.
- Define the business market, the customers, and the percentage of the market the business plans to reach, hereby providing a clear revenue estimate.
- Show the lender any anticipated potential issues, and how the borrower plans to address them.

Writing the Business Plan

In today's electronic environment it is not as tough

to write a business plan as one might think. Simply search the Internet for "Business Plans;" there are many vendors that for under \$20 will walk you through putting together a well-thought out, comprehensive business plan.

A Final Note for Start-ups

Business owners can greatly increase their chances of successfully securing a loan by being prepared and establishing a strong relationship with the bank before they need to borrow. As Scott Monson, EVP, Regional Executive Director for California Bank & Trust said, "By introducing yourself and your business to your banker early on, you can build a foundation upon which the banker can later draw to make a determination about a loan. The bank may not be able to supply all the funding you need for every situation, but they will always be a cornerstone for your daily operations and financial stability."

For more information about this and other services for small businesses, visit calbanktrust.sbresources.com.



Betty Rengifo Uribe is Executive Vice President at California Bank & Trust. She leads the Business and Personal Banking Division, overseeing branches and multiple business lending teams throughout the state. During her 25-year career in the financial services industry, Rengifo Uribe has held senior level positions in retail banking, business banking, and strategic planning. She is President of the Hispanic Outreach Taskforce in addition to several community boards. Rengifo Uribe has employed the entrepreneurial vision in her work life, having owned and managed three businesses herself. A native of Colombia, South America, she resides in Southern California with her husband and children.



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**Workforce Solution
Spotlight: El Segundo**

**One Local Approach to Business
Development is Becoming a Blueprint
for Post-Redevelopment Communities**

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WHILE California lawmakers continue to work toward reducing the state's budget woes, local municipalities are required to shoulder more responsibility with fewer resources. As a result, many municipalities have intensified their economic development efforts in hopes of driving increased business activity within their jurisdictions. In the past, redevelopment agencies were largely utilized to provide financial incentives to encourage business development throughout a vast majority of communities in California. With a recent California Supreme Court ruling handed down, redevelopment has been absolved. This state policy change has had a catastrophic effect on many local municipal budgets. Accordingly, many municipalities are now seeking new ways to attract, retain and grow their business base.

particular location, zoning, allowed uses and so forth. The open forum continues to provide applicants with a means of open dialogue with review staff, encouraging plans submission that is less likely to require resubmission. This open forum may also include outside permitting agencies to further accelerate the dialogue process and interagency collaboration.

El Segundo has an expedited permit review program in place, which can cut the review time by 50%. The program does have an added cost; however it is typically nominal in comparison with missing project. Currently, El Segundo review times are consistent with the

industry standard of approximately 4-6 weeks. The expedited option can be reviewed in as little as 2-3 weeks from the time of a complete submission.

El Segundo is committed to keeping your project moving throughout the entitlement and construction phases. In fact, building inspectors are available on an as needed basis to perform inspections after hours and on weekends, subject to timely requests. This allows construction to continue without untimely delays.

El Segundo recently committed to a formal economic development program by hiring a staff person that will focus on business attraction, retention and expansion.

Since January, the upstart program has interfaced with third party organizations to produce retail, hospitality and healthcare needs assessments based on the community demographic detail. Additionally, the Urban Land Institute was tasked to review existing development standards of the Smoky Hollow district and provide findings and recommendations. The recommendations are expected to accelerate revitalization and new development within the district.

To learn more about El Segundo, please contact Ted Shove at (310) 524-2359 or via email at econdev@elsegundo.org.

'The City of El Segundo has proven to be a pro-business community.'
KEN COHEN, Tricorp Hearn Construction (Hyatt Place Project)

'We faced some significant challenges early on and City staff came to our facility and worked diligently with us to resolve those issues so we could focus on our operations!'
FREIDON RASTEGAR, Nano H2O

'El Segundo also has a program in place to allow for expedited plan review. Plan review requests have been submitted on multiple occasions for this project and expedited plan review has been required. This has also contributed to us meeting our project deadlines throughout. KPRS appreciates the pro-business attitude exuded for this project.'
COREY EVANS, Superintendent, KPRS (Stamps.com Corporate Headquarters Project)

'The City of El Segundo has helped us meet the Project Schedule that has been required by our client. My experience has been very positive with the pro-business attitude that the city has had. The building inspectors have been out on weekends and after hours to insure we meet our deadlines.'
RALPH PATE, Time Warner Cable

One community in the Greater Los Angeles area has developed a reputation for their pro-business approach — El Segundo. Strategically located just south of the Los Angeles International airport, its location only compliments this pro-business community. Aside from being among the lowest in the region for tax revenue collected from businesses, the City has and continues to encourage business growth through sustained economic development with the focus of reducing business start up and operational costs. Subsequently, it is no surprise that El Segundo is second only to San Francisco for the most Fortune 500 companies that are headquartered or maintain a strong corporate presence within California.

El Segundo is very proactive in ensuring the most challenging time for a business meets the least amount of resistance. In many cases, the most challenging time for a business is during relocation and construction when business operations are suspended. El Segundo recognizes these times pose significant challenges for business and have structured a number of programs to minimize the impact.

Prior to submitting plans, El Segundo will assemble essential staff in an open forum to discuss any questions about a

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