



Seedco Financial
Innovations in Community Lending

***Report on the Results of the Northwest Queens
Emergency Loan Program
December 28, 2006***

The Northwest Queens Emergency Loan Program for small businesses who had suffered as a result of the ConEd blackout of last July has been concluded after making 203 loans totaling \$1,493,570 according to William Grinker, President of Seedco Financial Services, Inc (Seedco Financial). The New York City designed and sponsored program was announced by Mayor Bloomberg last July. The lending program was managed by Seedco Financial on behalf of the City's Economic Development Corporation and the Department of Small Business Services.

Grinker praised the outreach to affected small businesses by the City's Department of Small Business Services supplemented by Queens' community agencies and Seedco Financial. "We are confident that the vast majority of the businesses that incurred losses because of the blackout were reached. And the number that applied for help was about what was expected."

Loan amounts up to a maximum of \$10,000 were based on expected revenue for July and the percentage of the month that the business had no power. The City set the interest at zero percent and loans were processed by SFS within 10 days of applications to assure that local entrepreneurs had rapid access to the funds. The process was aided by Seedco Financial immediately establishing local due diligence offices at several locations including LaGuardia Community College and HANAC in Long Island City, Commerce Bank in Astoria and Sunnyside Community Services in Sunnyside. All lending was concluded by October 31st and over the past two months SFS has conducted a random sample post audit to assure the accuracy of the documentation provided by affected businesses. Grinker noted that field visits to 10% of recipients yielded a 100% positive result in terms of validity of the approved loans.

Seedco Financial is committed to ongoing financial support of the affected area with its ongoing programs in community and small business lending. With support from the City's Economic Development Corporation and State's Empire State Development Corporation, Seedco Financial has launched a program to assist small businesses with longer term below- market rate financing from \$25,000 to \$250,000. Several of the Queens businesses that were impacted by the power emergency have applied for support under the longer-term effort to begin to grow their business in the aftermath of the emergency recovery.