



Capital “C”

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Capital in LEEP

- Lent over \$6 Million which has been leveraged with over \$20 Million of other financing since the late 1990's
- Economic cycles – poor economic conditions require capital to recover (banks less likely to lend or need gap financing)
- High risk businesses, that are “unbankable” but are an important asset to the community.





Why a Managed Portfolio

- Protect the organization's and the public's assets
- Allow our board to make better decisions
- Consistency and confidence in the approval/rejection of loan applications
- Improve deal structure
- Long Term Sustainability



What does a managed program look like?

- Board – Policy/Vision
 - Performance goals
 - Reasonable and enforced loan policies
 - Oversight and high level direction
- Staff – Procedure/Implementation
 - Underwriting Matrix and Credit Memo
 - Loan Application that provides the information for the Matrix
 - Organization-Specific Loan Closing Documents
 - Report for the board on monthly metrics

PORTFOLIO PERFORMANCE REPORT

FEBRUARY, 2019

Loan Portfolio Statistics	Feb-19
Number of Loans	32
Number of Businesses	26
Outstanding Loans Balance	\$1,835,115
Committed (not final)	\$50,000
Total Available for Lending	\$1,319,507
Deployment Ratio	59%

Loan Program Activity	Feb-19
New Inquiries	6
Pre-Applications	1
New Applications	1
Pending Applications	1
Terminated in Review	1
Loan Approvals	1
Refusals	0

Delinquency by \$ Amount	Feb-19
Balance of Current Loans	\$1,539,969
31-60 Days Past Due	\$89,423
61-90 Days Past Due	\$0
Over 90 Days Past Due	\$130,168
Restructured in last 6 mo.	\$409,476

Loan Program Income	Feb-19	YTD 18-19
Total (Non-RMAP) Interest Income	\$6,354	\$50,139
Total Interest Expense	\$1,108	\$9,233.24
Gross Profit on Loan Program	\$5,246	\$40,906
Operating Expenses	\$17,613	\$163,493
% Covered by Loan Program	30%	25%

Delinquency and Write Off Ratios	YTD	18-19 Goal
Portfolio At Risk Ratio (60 Day Past Due + TDR)	29.4%	11%
Write Off Ratio FY 17-18	1%	5%

Write-Offs in Current Fiscal year	FY 18-19
Write-Offs in Current Fiscal year	\$26,449.00
Recovered	\$60.00
Total Losses YTD	\$26,389.00
# of Loans Paid Off this Fiscal Year	1



What's next...

- Test and tweak
- Next phase of loan policy development
- Keep participating in the network with CAMEO to continue to learn and improve
- Still so much to learn and share



My Favorite Resources

- CAMEO's MicroLending Essentials
- Aspen Institute Webinar Archive
 - <https://www.aspeninstitute.org/videos/microloan-underwriting-leslie-hoffman-barbara-eckblad/>
 - <https://www.aspeninstitute.org/videos/microloan-portfolio-management-with-leslie-hoffman-and-barbara-eckblad/>
- Opportunity Finance Network Community Forum



Contact Information

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