

The E-Newsletter for Wisconsin Business Development

President's Letter

You never know, you know.

I wish I did know, for example, what the next twelve months will bring for our economy; or whether this current pattern of high unemployment and low inflation will continue; or whether another surprise will add to consumer angst; or whether the market will spike upward, and restore my 401k.

It is hard for businesses, or for that matter, individuals, to plan. Yet somehow, we have always grown forward. It is generally our nature to look forward to what's around the corner. One thing we have learned in our 30 years in business is that even in difficult times, many people see opportunity. These are the people who jump in when the business curve is at its low and ready to climb. Many are even right, and hopefully, their prescience bodes well for a more robust recovery.

We are seeing right now many of these opportunists. There certainly are properties available at values much less than during the last decade. One common theme finds businesses that have been leasing, but are now seeking the opportunity to either buy the location they are in, or purchase another, or even build a new property that is well suited to their business. With property values at near record lows and availability high, we are seeing what may be the last of a buyer's market, at least in the minds of buyers.

Financing can be challenging, but we have seen near record volume for our real estate financing programs. The 20 year fixed rate is under 6%, and is available for 40% of a new project's value. The lender takes the first position of 50% and the borrower contributes at least 10% and sits behind us. It is a structure that satisfies the banking Regulators and gives the small business a financing plan that will last a generation. We are working with SBA to finalize the rules on existing businesses to refinance their current commercial loans. Now is the time to consider whether to buy, build, or just reposition current property debt.

George Bernard Shaw said that all progress is the result of unreasonable people. They don't know for certain what lies ahead, but still they make ready to grow their businesses, hire people, and make their mark. We are pleased to work with them, and the lenders who also have faith in them, because we know that is their efforts will lead us to recovery. You know.

Joe Wolfe
President, WBD

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Tell us what you think!

We encourage you to send us your thoughts on our e-newsletter - from length, to format, to content.

Please send your comments to: Rani Leung - rleung@wbd.org

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WBD 2011 Seminar Series



* Carol Maria, President of WBG presenting at the Madison Seminar

WBD would like to thank those of you who were able to attend this year's seminar series. We had a great turnout, with a total of 417 participants from 13 locations! Topics in this year's seminar include: SBA 504 Program, New Market Tax Credit, CAP Program, SBA 7(a) Loan Program, and the SBA Refinance Program. If you missed this year's seminar and would like to be mailed information regarding the 2012 seminar series, please e-mail your contact information to wbdevents@wbd.org.

504 Success Story



V Marchese Inc. is a wholesaler of fruits, vegetables, dairy, and specialty products originally started in 1934 by Vito Marchese. Today, V Marchese Inc. is owned by Salvatore Marchese, Jack Marchese and Jack Wertz, the grandsons of Vito. V Marchese Inc. has over 130 employees to service customers in their Milwaukee location and around Southeastern Wisconsin, Northeastern Wisconsin, Northern Illinois, and Northwestern Indiana.

Cut Fresh, LLC (same ownership as V Marchese Inc.) was established in 2009 in order to establish a new line of business

504 Approvals (23)

- Approvals in 17 Counties
- Total Amount of Projects: \$253,388,900
- Jobs Created: 93
- Jobs Retained: 106

504 Portfolio Value:

\$503,023,328

Number of 504 Loans:

1118

504 Portfolio by Industry:

- Accommodation & Food Service (216)
- Agriculture, Forestry Fishing & Hunting (43)
- Art, Entertainment & Recreation (41)
- Home Care & Social Assistance (54)
- Manufacturing (232)
- Other Services (168)
- Professional, Scientific & Technical (117)
- Retail Trade (198)
- Whole Sale Trade (49)

that expands the existing operation of V Marchese Inc. to include the processing and packaging of fruit and vegetables. Cut Fresh markets their pre-cut and packaged fruit and vegetables to restaurants, schools and commercial businesses throughout the Midwest. In May of 2010, the owners utilized an SBA 504 loan provided by WBD, along with financing from Park Bank to purchase state-of-the-art packaging equipment and finance an expansion to the existing V Marchese facility to house the new processing operation. The building size was increased by 50% to 74,165 square feet.

Cut Fresh and V Marchese believe in the highest standard for processing fresh produce, the new building addition will utilize cleanliness and safety standards above those required for food processing facilities which are not yet required for produce facilities. This business expansion has a significant impact on the local job market and will provide 132 jobs to the community in the next two years. In addition, the expansion has provided market and financial diversification to a long-time family-owned business in the city of Milwaukee.

What's New at WBD?



*Front Row: Nick Vandervelde, Tom Wolfe; Second Row: Tim Belter, Steve Bonnell, Joe Wolfe, Phil Schrabec

We are pleased to announce the addition of **Tom Wolfe** as Chief Credit Officer with the Service Company. Tom brings over 20 years of commercial lending and credit underwriting experience as well as an understanding of SBA loan programs to our organization.

Tom is joined by **Tim Belter** as a Project Manager. Tim brings to our organization, strong credit skills developed from several years working in the banking and finance industry. He is the key contact person for the [CAP program](#).

In addition, the Service Company has moved to 200 River

2nd Quarter Lender Services Highlights

- **# of Projects Completed: 9**
- **Total Amount of Projects: \$6,985,679**
- **Jobs Created: 22**
- **Jobs Retained: 43**

Mark Your Calendar!

- **WI Lenders Conference**
May 19-21, 2011 at the Kalahari Resort & Convention Center, Wisconsin Dells
- **SBA Annual Awards Breakfast**
June 3, 2011, Italian Conference Center in Milwaukee
- **Dane County Small Business Award Breakfast**
June 10, 2011 at the Sheraton Madison Hotel.

Place, Monona, WI. Phil Schrabek and Steve Bonnell have transferred from the Finance Corp. to the Service Company along with Nick Vandervelde who is a new addition to WBD.

Contact us

We would be more than happy to answer any questions you might have! Please feel free to contact us toll free at (800) 536-6799.

Additionally, you can contact any of our local offices:

- [Madison](#)
- [Waukesha](#)
- [Fox Valley / Oshkosh](#)
- [Eau Claire](#)
- [Stevens Point](#)
- [Hudson](#)
- [Racine](#)
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**Wisconsin Business
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