



## ANOTHER LOOK

Almost six decades ago New York's banks recognized the need for an additional resource for our small businesses and created New York Business Development Corporation ("NYBDC"). From the beginning, NYBDC has been a bank crafted and funded alternative when conventional bank financing is not available.....124 banks hold membership in NYBDC and provide the leveraged capital necessary to support a more expansive approach to credit. The NYBDC alternative is not separate or independent of its member banks but instead represents our members' commitment to serve small business – both directly through their own product offerings and indirectly through their support of NYBDC.

Most, if not all, of our member banks have robust "Second Look" programs that are tasked with carefully reviewing loans which would otherwise be declined. While these programs capture some opportunities, there are cases where a declination is nonetheless determined to be appropriate. Here our member banks have another opportunity to serve their customers through a referral to NYBDC. These referrals allow NYBDC to do precisely what its members intended it to do.....serve as an alternate resource for small business loans where a conventional solution is not available.

NYBDC routinely makes loans to start-up and early stage companies, challenging industries, and in cases where repayment is based on projections. We combine traditional underwriting with careful structure and maximum use of technical assistance providers and loss mitigation measures such as U.S. Small Business Administration loan guarantees. We work closely with the small business throughout the term of the loan providing the flexibility that is often necessary to meet the challenges and uncertainties attendant to owning a small business. In short, we provide a service to your customer while promoting the prosperity of New York State and providing opportunities to create or retain jobs.

Over the years, our member banks have provided unflagging support of our loan activities with lines of credit, loan participations and SBA 504 loan referrals. But, we want to kick it up a notch and add a robust loan referral process on loans that are declined by our members.

The process starts with a referral of your customer to NYBDC. The referral can take many forms ranging from the direct introduction of the business to one of our loan officers, to simply providing our contact information to the business and advising that NYBDC is available to consider the request. Businesses can access this program via website our ([www.nybdc.com](http://www.nybdc.com)), email ([anotherlook@nybdc.com](mailto:anotherlook@nybdc.com)) or telephone to our toll free number (800-923-2504).

Initially, our plan is to limit the referral to loan requests ranging in size from \$100 thousand to \$500 thousand where the principals of the borrower have an average credit score of 625 or higher. However, we are prepared to establish more specific parameters for each organization to promote reasonable and appropriate access.

If you would be interested in discussing participation in this program or referral parameters for your organization please reply to this email or give me a call.

[www.nybdc.com](http://www.nybdc.com)

1-800-9-BDC-504

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