

Telling Our Story 2018 ANNUAL REPORT



GROWTH
CAPITAL

Breen Real Estate	
BSB Partners	
Chemical Bank	
Citizens Bank	
Ciuni & Panichi CPAs and Business Advisors	
Corrigan Krause Certified Public Accountants	
Dollar Bank	
Erie Bank	
Farmers National Bank	
Fifth Third Bank	
First Federal of Lakewood	
First National Bank	
Geauga Savings Bank	
Goldman Sachs 10,000 Small Businesses	
Huntington National Bank	
Jennasis & Associates	
JP Morgan Chase Bank	
KeyBank	
Meaden & Moore	
Newtek Small Business Lending	
Peoples Bank	
PNC Bank	
Roetzel & Andress	
Ulmer	
US Bank	
Westfield Bank	

Thank you

We gratefully acknowledge these organizations for their underwriting support of our

2018 ANNUAL REPORT & MEETING

GROWTH CAPITAL

John Kropf,
PRESIDENT & EXECUTIVE DIRECTOR



Partner Ulmer & Berne,
LLP/Growth Capital – Chair of the Board

Alan W. Seifert

Dear Friends;

Do you remember reading “The Great Gatsby” or perhaps the “The Color Purple” or maybe “The Adventures of Huckleberry Finn”? Whether in high school or college or just sitting at the beach, in the back yard or by a warming fire. These are great novels, great stories; they are great American Stories. Maybe you prefer a more contemporary novel or perhaps you just like to read the sports page. Well I am certainly no F. Scott Fitzgerald, Alice Walker or Mark Twain or even Mary Kay Cabot but here at Growth Capital we too have a story to tell. Here at Growth Capital we believe we have a compelling story to tell. We believe our story is compelling because our story is your story. The story of our borrowers who build companies that impact our communities, provide job opportunities and create wealth. Our story is the story of our stakeholders; referral and banking partners who team with Growth Capital to provide creative financing solutions to growing businesses. Just take a look at the tale of 2018.

One chapter includes the story of yet another RECORD YEAR of Loan Production with over \$84MM in total project financing. Another chapter tells of the RECORD YEAR of Mission Impact with more than 78% of our small loans going to Underserved Markets and the tale goes on further...

- Nearly \$30MM in total Loan Fundings
- Almost \$7MM in loans to Manufacturing Companies
- Some 400 New Jobs Created by our Borrowers

Those chapters are quite a story itself but there are even more compelling vignettes that capture the imagination of our borrowers, our banking and referral partners and the communities we serve because our story is your story.

Our story is inextricably linked to another incredible chapter, One in which we and all of our stakeholders share and that’s the resurgence of manufacturing in America and the remarkable growth in new manufacturing jobs. U.S. manufacturing companies created an outstanding 32,000 new jobs in October alone and some 296,000 in total for 2018. Growth in manufacturing jobs support broader job growth as well and there was over 250,000 new job created last month and with historically low unemployment we also have growth in real wages at the highest level since 1969. That’s a compelling story and it is certainly linked to the story of our Growth Capital 2018 IMPACT Award Winner, Tymex Plastics.

Tymex Plastics is part of that strong growth in manufacturing right here in Cleveland, having increased overall production by 62%, topline revenues by 41% and an increase in its workforce of more than 34% since working with Growth Capital. That’s real IMPACT. More manufacturing producing real goods, creating more wealth and providing more employment opportunities for the people in our communities. Employment that brings rising wages that support real people, real families and has a real IMPACT. I love this story, the pages of which could fill a great American novel about the triumph of the human spirit, one inspired by the dignity of work, the achievement of success and the building of community that inspires us all. This is our story here at Growth Capital and its inspiring and compelling because it is a story we all share. It’s a Great American Story being told right here in Cleveland.

TELLING OUR STORY

2018 Lender of the Year

Presented to

LISA RUCKER

For producing the most SBA 504 and Ohio Regional 166 Loans and loan commitments with Growth Capital Corp. during 2018

Presented November Twenty Eighth, Two Thousand Eighteen

LISA RUCKER



2018 Bank of the Year

Presented to

PNC BANK

For producing the most SBA 504 and Ohio Regional 166 loans with Growth Capital Corp. during 2018

Presented November Twenty Eighth, Two Thousand Eighteen

2018 Loan Activity

Growth Capital certainly continued creating real value for small business with its loan activity. This year, we had 73 loans approvals and maintained the Number One SBA 504 and Community Advantage Lender status in Northeast Ohio. While SBA 504 lending in the district increased last year, we were able to hold our own and maintain our market share at 44% in the SBA Cleveland District with total project financing of \$58.2MM.

Growth Capital had a good year with \$26 million in approved loans which leveraged over \$84.7 million in economic development investment in our communities during 2018. Our participation has adding significantly to the overall economic activity of our region with the potential to add over 400 new jobs for Ohio workers. Loan closing production for fiscal year 2018 totaled 50 loans funded through September 30, 2018 with loan closing dollar volume reaching \$28.8MM.

LENDER	LOAN COUNT	LOAN AMOUNTS
PNC Bank National Association	5	2,162,000.00
Fifth Third Bank	4	2,040,000.00
JP Morgan Chase Bank N.A.	3	544,000.00
KeyBank National Association	3	1,909,000.00
Consumers National Bank	2	946,000.00
First National Bank	2	2,506,000.00
Huntington National Bank	2	790,000.00
Westfield Bank	2	1,680,000.00
Dollar Bank	1	270,000.00
First Federal of Lakewood	1	523,000.00
First National Bank of Bellevue	1	4,303,000.00
Geauga Savings Bank	1	219,000.00
Home Savings	1	270,000.00
Level One Bank	1	1,013,000.00
Ohio Dept. of Development	1	469,338.00
Towpath FCU	1	1,996,000.00
Community Advantage Loans	42	4,380,400.00
Grand Total	73	26,020,738.00



**GROWTH
CAPITAL**

2018 Impact Award

Presented to

TYMEX PLASTICS, INC.

For achieving neighborhood reinvestment and economic development by being a catalyst for business growth, business expansion and offering quality jobs for area employees.

Presented November Twenty Eighth, Two Thousand Eighteen

When three hardworking entrepreneurs, with very diverse backgrounds came together in 2001, nobody could have anticipated what has come to be. Nearly 18 years later, Tymex Plastics has become an industry leader in custom compounding and recycling for the rotational molding industry. Tymex Plastics, Inc. was founded by Michael Turkovich, President, Eric Yarabenetz, Director of Sales; and Mark Simonitis, Vice President and still operates from industrial space on Harvard Avenue right off of Interstate 77. Over these last 18 years Tymex has seen a considerable sales growth and a threefold employee growth. It was named a Weatherhead Top 100 fifth place award in 2006.

Tymex Plastics will process nearly 57 million pounds of plastics in 2018, a 62% increase from 2014. This growth was achieved thru the drive to continually recognize opportunities for improvement within the company. That vision and that desire has earned Tymex a reputation of quality, consistency and dependability in its industry.

Owner Michael Turkovich stated, "If our 18-year history has taught us anything, it's that relationships are vitally important. We have worked very hard to form strong relationships with customers, vendors, and financial partners. None more apparent than the relationships we have formed with Growth Capital, Chase Bank and John Barth".

Growth Capital approved it's first of five SBA 504 loans for the company in 2014, providing financing to fund the purchase of capital equipment that continues to fuel company growth and Tymex knows what it takes to succeed with Mark Simonitis saying. "We appreciate the confidence and support that we have received from Growth Capital and Chase Bank. They are strong institutions, and we are glad to be working with them. But we also realize that companies are only as strong as the people that represent them. John Barth is a testament to that. John's hard work with both companies on our behalf, was instrumental in obtaining the financing Tymex needed to allow for our company's growth and stability. He understands it's about more than just numbers, it's also about people and relationships. John spent time to learn about our company and who we are as people. He saw our vision and our passion and funneled that information thru the proper channels".



Since Tymex began working with Growth Capital and Chase Bank in 2014, the company has seen incredible growth and tremendous success.

- Workforce increased by 34%
- Sales increase of 41%.
- Production increase of 62%

With the help of Growth Capital and Chase Bank and John Barth, Tymex has added 4 new production lines, and have made many upgrades to other existing areas of production. Making Tymex Plastics a safer, more efficient, more productive, and more competitive company. These competitive improvements and growth have also made the company a great place for the manufacturing jobs that are an anchor for economic success in the Cleveland Region. It was once recently said that the United States had lost its manufacturing jobs to China and that these jobs would never come back but here in Cleveland Tymex is still hiring. One employee notes that Tymex is "A Great place to work, owners and management a very good people. They always take good care of customers as well as employees. I learned a great deal about many different types of plastics." No doubt this worker is also impressed with the great opportunities Tymex provides its employees with a full range of benefits and ample overtime pay with near continuous operations.

The company business plan is very simple; create a quality product at a fair price that's delivered on time. As simple as that sounds, it can be tough to achieve. It takes the right combination of ingredients; proper management, skilled employees, a respectful and trusting culture, and strong financial partners. Tymex believes they have all of those in place for continued success. The success of Tymex Plastics is a great story and the type of story we don't always hear about but one that is vitally important and a key driver in the story of manufacturing resurgence here in Cleveland that impacts the lives of those living in our communities.



Loan Servicing Activity

The Growth Capital loan portfolio demonstrates the hard work being undertaken to support our economic development mission. Our portfolio growth and performance is indicative of our commitment to prudent credit underwriting as we take very seriously our fiduciary responsibility. Sound loan growth is our objective.

The Sept. 30, 2018 value of the Growth Capital loan portfolio was \$130,286,446 with 418 active loans.

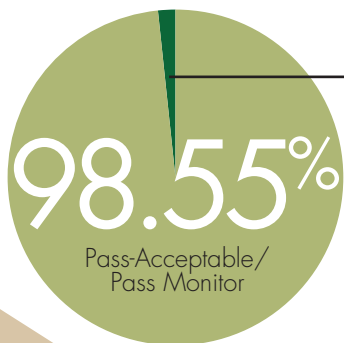
PROGRAM	DOLLARS OUTSTANDING	# OF LOANS
SBA 504	\$118,028,960.70	316
Ohio Regional 166	\$ 2,215,715.34	14
Community Advantage	\$ 10,041,770.01	88

During Fiscal Year 2018, there were 25 loan prepayments, amounting to \$4,643,721.15, a 47% decrease over the previous year. The new loan activity over prepayments caused the portfolio to increase by \$14,818,022.57 or 12.8%.

Growth Capital managed 4 (all SBA 504) loans in liquidation during fiscal year 2018. There were 0 charge-offs of loans in liquidation.

As of Fiscal 2018 year-end, Growth Capital has no loans in the process of being liquidated.

As of 09/30/2018 Growth Capital had a delinquency rate of 1.06% compared to an SBA bench rate of .60% and a peer group rate of .69%. For the fiscal 2018 year, The SBA Lender Risk Rating has remained at 2.



PORTFOLIO RISK RATING
1.45% Watch

FUNDING
IN OHIO

\$28.8
MILLION

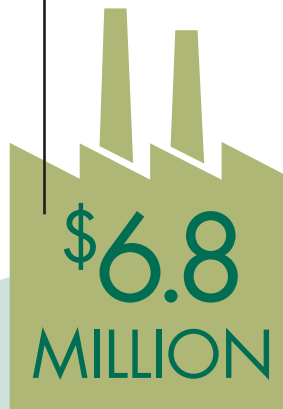
REAL ESTATE DEVELOPMENT



NEW JOBS



MANUFACTURING
LOANS



SUPPORTING
SMALL
BUSINESSES

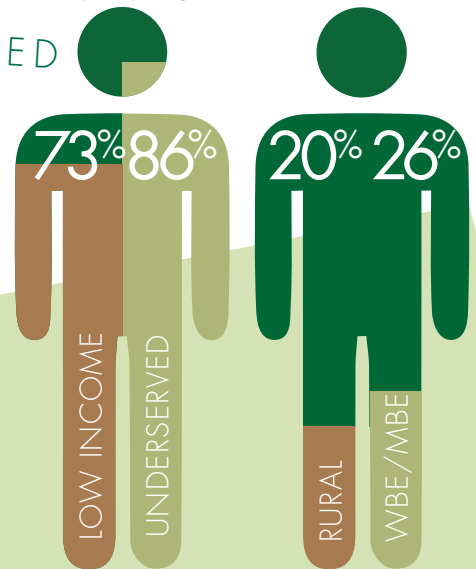


IN FY 2018:

Growth Capital made 50 loans totaling \$28,808,308 to entrepreneurs, which supported \$33,353,400 in additional investment

- 17% of loans were made to women-owned businesses
- 15% of loans were made to minority-owned businesses
- 3% of loans were made to veteran-owned businesses
- 87% of our Goldman Sachs 10,000 Small Business Initiative borrowers are in low-moderate income areas
- 72% of our SBA Community Advantage loan approvals were to SBA Underserved Markets.

TARGETING THE UNDERSERVED



GROWING THE
LOCAL ECONOMY

CREATING REAL IMPACT

2018 Loans

SBA 504 LOANS

APPROVED	FUNDED	
•	•	Active Plumbing Supply Co.
•		Avalon R.V. Center, Inc.
•		Bishop Bros. Supply & Transit LTD
•		Bright Ideas Press, LLC
•		Burger Ace Hardware
•		Canton Pediatric Dental Center, LLC
•	•	Carpet Warehouse West, Inc.
•		Coastal Quality Construction, Inc.
•		Creekside Eventing Complex, LLC
	•	Dance Studio M, Inc.
	•	Diamond Tech Machine, Inc.
	•	Drs. Henzel and Smith Inc
•		El Rodeo-Pearl, Inc.
	•	Enpress, L.L.C.
	•	Event Source
•	•	Extreme Air Boardman LLC
•		Five-Star Gymnastics
•	•	Gas Consultants, Inc.
	•	George Malita Constructors, Inc.
•		Global Talent Resources Corporation
•		Goldfish Swim School of Lewis Center
	•	Hampton Inn Tiffin
	•	Home2 Suites
•		Hurst Design-Build Remodeling
•		Inn The Doghouse Mentor, Inc.
	•	Jamieson-Ricca Company
	•	Jim Belding Monuments, LLC
•		Lee Silsby Compounding Pharmacy
	•	Lighthouse Products LLC
•		Magretech, LLC
•	•	Majer II Employment Services, LLC
	•	Merritt West, LLC
•		N2Net
•	•	Natural Essentials, Incorporated
•	•	Pappas & Bitounis CPA's LLC
	•	Perennial Smiles, Inc.
	•	Perrino Builders & Remodeling
	•	Perry Fiberglass Products, Inc.
•	•	Quicker Logistics Incorporated
•		Regency Construction Services, Inc.
•		Rimeco Products, Inc.
•		Rootstown Hotel & Hospitality, LLC
•		Sixth City Marketing
	•	Specialty Fitness Equipment, LLC
	•	Suburban Physical Therapy, Inc.
	•	T3 Performance LLC
	•	The Gent Machine Company
•		The Oaks Lakeside
•		Tymex Plastics, Inc.
•		Wag-On-Inn
	•	Woodpeckers, Inc.

COMMUNITY ADVANTAGE LOANS

APPROVED	FUNDED	
•	•	A.J. Hoops Design Build, LLC
•	•	Aexus Worldwide LLC
•		Agahi Shipping, LLC
•		Azure Stained Glass Studio LLC
•	•	Barn Boys, LLC
•		Bishop Bros. Supply & Transit LTD
•		Brunswick Gymnastics and Fitness LLC
•		Carley Czyrba
•	•	CGB Tech Solutions, Inc.
•		Christopher Butler
•		CLerun Agility Training Center LLC
•		Diamond Tech Machine, Inc.
•	•	DiLauro's Pizzeria LLC
	•	Dot Org Solutions, LLC
•	•	Educare of Greene, Inc.
•		El Rodeo-Pearl, Inc.
•	•	Engines LPG, LLC
•	•	Erichar LLC
•	•	Family Statcare of Northeast Ohio, LLC
	•	Fascar Drive Thru LLC
•	•	Fount LLC
•		Inn The Dog House, Inc
•		JS K-9 Services, LLC
•		JSammon, LLC
•		Magretech, LLC
•	•	Majer Employment Services LLC
•		Michael A. Covas, DDS, Inc.
•		Mustang Blake, LLC.
•		Natural Essentials, Incorporated
•		PIT Concrete Masonry LTD
•	•	Primo Vino, LLC
•	•	Red Space LLC
•	•	Release Yoga, Inc.
•		The National Tire & Rubber Company
•		The Oaks Lodge Company
•	•	Tri-M, Inc.
•	•	TTK Auto and Marine Service LLC
•		Tymex Plastics, Inc.
•		Union Iron & Metal LLC
•	•	Waking on The Rock, LLC

OHIO 166 LOANS

APPROVED	FUNDED	
•	•	Coley's, Inc

Community Advantage Loans

ANCHOR INN

This boutique hotel located on the island of Put-In-Bay is intimate with only 9 guest rooms each uniquely furnished. Rooms book quickly so reserve your rooms for next summer today!



AZURE STAINED GLASS

Founded by craftsmen Mary Zodnick and Ben Parsons, this stained glass shop designs and repairs commercial and residential windows and doors throughout Ohio.

BARN BOYS

Todd and Charolette Schlabach are channeling their combined 80 plus years of experience into a new venture called **Barn Boys, LLC dba Pioneer's Pride** which will expose a whole new generation to the beauty and strength of timber-frame construction, and bring it to backyards throughout America. Their mission is to provide high-quality, durable, Do-It-Yourself Kits to those who want to build their own Timber Frame Structures.

Pioneer's Pride is bringing back the workmanship of Timber Frame Structures that have sustained durability for hundreds of years.



CLE URBAN WINERY

When navy veteran Destiny Burns returned to her hometown she wanted to create an urban winery where wine, music and good times combined into a special experience. Located in Cleveland Heights this wine manufacturer distributes through wholesale and retail outlets. Check out their production & tasting rooms on Lee Road.

Destiny is a graduate of the Goldman Sachs 10000 Small Business program.



DILAURO'S PIZZA

DiLauros Pizzeria was started in July of 2017 after Adam DiLauro had spent 15 years in the restaurant industry. The business is a mobile concession operation, specializing in pizza. Adam has spent the last 5 years with Glacier Concessions and this business will continue with the major events that Glacier worked as well as weekly sales at various events and private parties in Northeast Ohio.



DOT ORG SOLUTIONS

Dot Org Solutions is a fundraising, marketing and public relations consulting firm based in Akron, Ohio. Founded in 2009, Dot Org works with a diverse portfolio of nonprofit and small business clients, giving them the insight and tools they need to build brand awareness, operate effectively, appeal to their audiences, amplify their message and grow.

Dot Org's team supports its clients through strong messaging, marketing and fundraising to ultimately help create change and fulfill missions. Whether it's a creating marketing or fundraising plan, developing content or implementing a campaign, Dot Org is committed to working hand-in-hand with its clients to build better communities.





ENGINES-LPG

Engines-LPG, LLC (eNGines-LPG), formed in 2013, is leading the way in natural gas and liquid petroleum gas fueled engines. **Matthew Roeser** (President) has more than 15 years of experience working and selling in and to the USA industrial markets. His process and product knowledge has been instrumental in improving customer service offerings to several Fortune 500 companies and enhancing their competitiveness within the market place.

FOUNT LLC

Fount is a design and production house based in Cleveland, Ohio, with a focus on luxury leather bags and other accessories. The company began in early 2014 as husband and wife creative team, Phillip and Jackie Wachter, began to pursue their passion to create quality products that are ethically made here in the United States. What started simply as a side project, making handbags and accessories out of their home, quickly turned into a bustling creative studio in downtown Cleveland, now employing 41 team members.

RED SPACE

Red Space is a raw event center in Cleveland, OH. They host events in an eclectic urban setting with an 8,500 square foot event hall and a 1,500 square foot gallery.

Revenue is derived from the rental of the hall for various events held there including weddings, Bar & Bat Mitzvah's, Award Ceremonies, Parties Concerts, Fund Raisers, Fashion Shows, Food & Drink Tastings, Art Shows.

John Gadd is the founder and President of Red Space. He also is the President and CEO of Hotcards which operates at the same location of Red Space.

RELEASE YOGA

In 2013, Pattie Wagner started Release Yoga, and has created a strong team with experienced managers and instructors. She is a graduate of the Goldman Sachs 10,000 small businesses. Release Yoga, has grown from a yoga studio to include a variety of services that include mat and aerial yoga, meditation, barre and interval training classes as well as table and Thai massage, yoga teacher training, chiropractic adjustments, skin services and a full line boutique.

TRI-M/ NORTH END WINE BAR

Tri-M Inc dba North End is a Wine Bar/Restaurant located in Hudson, Ohio operating since 1993. This unique establishment has a restaurant, wine bar, beer bar, wine shop and beer carry-out. They have developed a reputation for quality in their menu of food, wine and beer. Elaine and Scott Kuebler have owned and operated North End since 1993 and consider their customer relationships key to their success.



2018 Marketing Activity

The Growth Capital staff is committed to our organizational Strategic Objective **"Focus our Marketing Efforts on Relationship Partnerships"**. In doing so we continue to execute strategies to initiate new relationships and educate our target market on the benefits of our loan programs. During fiscal year 2018 we participated in a host of networking events and delivered presentations and training on our three loan programs.

In November, Gil Goldberg, District Director, U.S. Small Business Administration's Cleveland District office, awarded Growth Capital, SBA's Certified Development Company of the Year Award. This award honors the certified development company with the most SBA 504 loan approvals in the SBA Cleveland District.

Growth Capital hosted its Twelfth annual stakeholders networking reception in April. More than 250 customers, bankers, commercial realtors and accountants attended our Hofbrauhaus Cleveland networking event.

Growth Capital's new website allows prospective customers to apply online for our three loan products. The website also has many downloadable forms and information on our loan programs.





We have continued our referral and loan contest. The contest rewards those who refer or make a loan that is agency approved. These individuals earn raffle tickets to win prizes including a \$599 cash gift card along with other great prizes. The prizes are awarded during the 2018 annual meeting.

Growth Capital's electronic newsletter and blog distributed through LinkedIn and Twitter, were instrumental in 2018 as they were the source that generated the organization's most referrals. The newsletter and blog are distributed to more than 1,200 small business owners, loan officers, commercial brokers, attorneys, accountants and economic development professionals.

Presentations and events at our lending partners allow us to maximize our exposure in the marketplace and initiate new relationships while building on the referral relationships that already exist. Our efforts are certainly bearing fruit and for the 13th consecutive year, **Growth Capital is the number one SBA 504 lender in Northeast Ohio. Also for the Sixth consecutive year, we are the number one Community Advantage lender in Midwest and top 10 in the country.** Also, Growth Capital was ranked in the top 50 Certified Development Companies in the country and 14th in the mid country region.



2018 OUR PEOPLE

MEMBER	BOARD OF DIRECTORS	SERVICING COMMITTEE	LOAN COMMITTEE	NAME	COMPANY
•		•		Vince Adamus	Greater Cleveland Partnership
•			•	Lawrence Allen	Dollar Bank
•				John Barth	Chase Bank
		•		Bill Beard	Chemical Bank
•	•		•	Timothy Breckner	Colliers International Real Estate
•				Chuck Ciuni	Ciuni & Panichi, Inc.
•				Monorah Daga	Dingus & Daga, Inc.
•				Cherie Dimmerling	FlexQube
•			•	Michael Elliott	National Development Counsel
	•		•	Gloria Gates	PNC
•	•		•	Wesley Gillespie	ErieBank
•	•	•		MJ Hilker	Peoples Bank
•				Kirsty Hull	Newmark Grubb Knight Frank
•			•	David Kinzel	KeyBank
•			•	Michal Klein	Ciuni & Panichi, Inc.
•				Richard Kretschman	Fifth Third Bank
		•		Mark Kutylowski	Independent Consultant
•			•	Arnold Lockett	Village Capital
•	•			Steven Lorenz	Kamm's Corner Development Corp.
•			•	Ben Norton	Buckeye Bank
•	•		•	Daniel Prendergast	Meaden & Moore, Ltd.
•	•			Alan Scheufler	Ulmer & Berne, LLP
•	•			Kevin Schmotzer	City of Cleveland
•			•	Ronald Schultz	Peoples Bank
•				Bill Beard	Chemical Bank
•	•			Angela Wilcoxson	KeyBank
•				Mark Windnagel	Huntington Bank



Timothy Breckner
 Gloria Gates
 Wesley Gillespie
 MJ Hilker
 Steve Lorenz
 Daniel M. Prendergast
 Alan Scheufler
 Kevin Schmotzer
 Angela Wilcoxson

BOARD OF DIRECTORS



STAFF

John Kropf	President and Executive Director
Denise Sisley	Administrative Assistant
Robert Schordock	Loan Servicing Officer
Kate Kerr	Program Director / SBA Community Advantage Loans
Betty Rich	Loan Processing Manager
Jeff Sozio	SBA Loan Officer
Juan Hernandez	Business Development Director



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