

ANNUAL REPORT

2009

A RESOURCE  
FOR BUSINESS  
& COMMUNITY



BUILDING SUCCESS WITH 504 LOANS

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**Our success at RMI is a reflection of our clients' accomplishments.**



BUILDING SUCCESS WITH 504 LOANS

# LETTER FROM THE CEO

2009 was a year of solid performance for RMI and the 504 Loan Program.

Once again RMI demonstrated its value as a resource for businesses. While unemployment rates were on the rise, we worked diligently to help businesses remain viable and retain jobs. And, we continued to assist our clients and partners in stimulating economic development and job creation in many communities.

Helping create positive economic impact requires creativity, expertise and a strong product. This was especially true in 2009. During times of economic distress, bankers seek enhancements to better secure their loans. We believe there is no better enhancement than a 504 Loan, which takes the collateral risk to a subordinate position and stabilizes the debt service risk with a fixed rate.

We strive for a high level of performance at RMI, and with the assistance of our lending partners and our friends at the Small Business Administration, we were successful in reaching this goal. We thank them for their continuing partnership.

Ultimately, our success at RMI is a reflection of our clients' accomplishments. In this report we are pleased to introduce some of our clients and their accounts of how the 504 Program gave them the opportunity to achieve their business goals. We hope you'll find their stories inspiring.

We believe the 504 Loan Program is a remarkable tool for small business. We hope you'll agree and look into ways the 504 Loan Program might assist you or one of your clients. As always, we're here to answer your questions, or you can visit our website at [www.rmiinc.org](http://www.rmiinc.org) to learn more about RMI, the 504 Loan Program and our other loan programs designed to help businesses meet their financing needs.

On behalf of our dedicated staff and board of directors, I thank you for your time and support.

Sincerely,



Ken Lueckenotte

# RMI AND 504 LOAN FACTS

## What RMI Does

RMI plays several key roles in the 504 Loan process. We provide a local source of marketing and expertise for the 504 Program. RMI is the hub of the project, typically preparing all paperwork, coordinating the activities of all project participants, and structuring each project to balance the interests of both the business and the SBA.

## A Unique Market Niche

The 504 Loan Program targets independently owned companies, which make up the most dynamic sector of the economy and create the most jobs for the country. In addition, the 504 Program focuses on financing for exclusively owner-occupied commercial real estate for small businesses.

## Advantages Of Two Mortgages

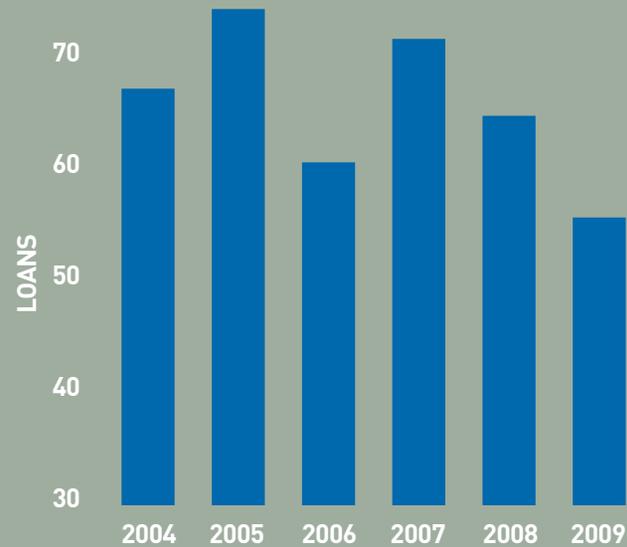
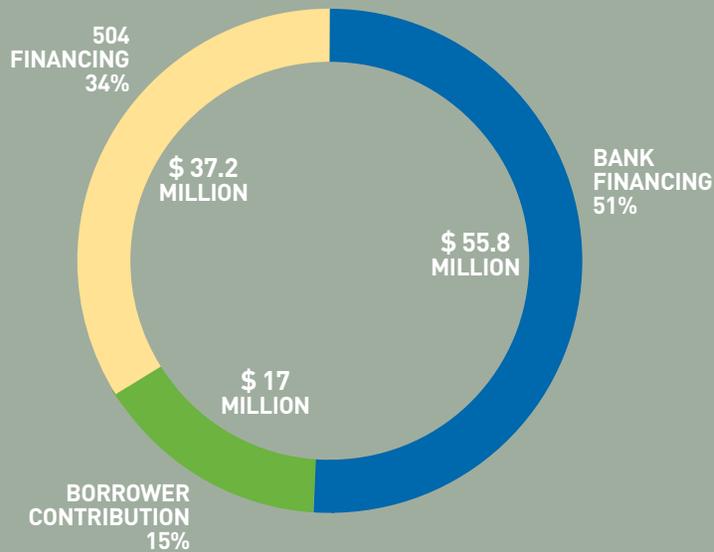
The 504 Program is structured so that every project involves a first mortgage from a bank (usually 50 percent), a second mortgage 504 Loan (usually 40 percent), and a minimum 10 percent down payment from the business. With the 504 Loan Program, every project benefits from the focused expertise of both RMI and the bank.

## A Small Business Window To Wall Street

Certified Development Companies, like RMI, fund all 504 Loans through monthly pools, giving the 504 Program the economies of scale to access the public capital markets. Combined with the SBA guaranty, the 504 Program enables small businesses to access capital at the lowest possible cost, so they can preserve capital, grow faster and create more jobs.

2009

# ACCOMPLISHMENTS



## Maximizing Private Capital With 504 Loans

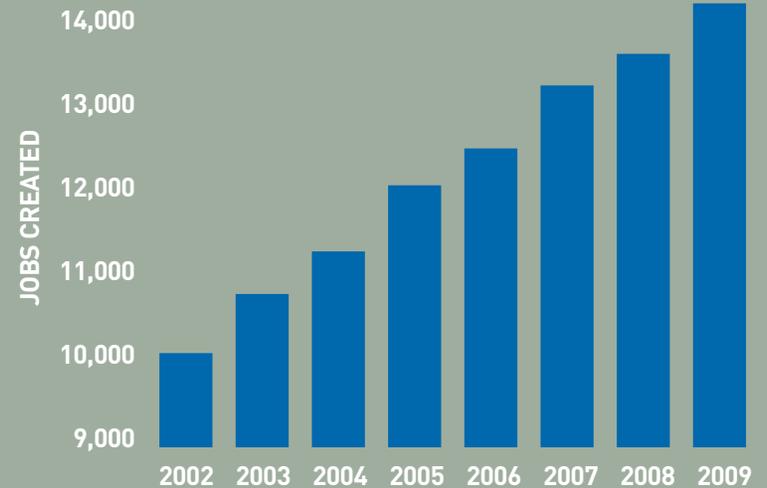
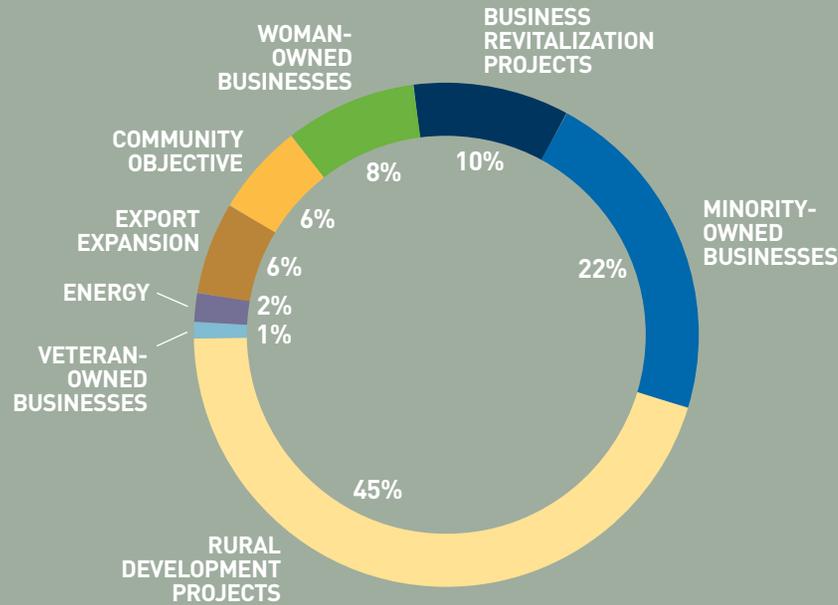
Each 504 project includes a conventional first mortgage of 50 percent. Because of this, our 504 activity has leveraged a total of \$110 million in capital investment in 2009.

## 504 Financing Approved

In the last six years, RMI has provided more than 323 businesses with the financing needed to help them reach their professional goals.

2009

# ACCOMPLISHMENTS



## Building Communities With 504

RMI assists a diverse group of businesses and projects. We serve as a financial resource to help improve communities by making them stronger through 504 financing.

## Jobs Created And Retained

Providing 504 financing opportunities to our clients has resulted in the creation and retention of 14,197 new jobs in our service area since RMI's inception.

SUCCESS STORIES

Kansas City, Missouri

# ALEXANDER MECHANICAL, INC.

**“Working with RMI gave our lending institution that extra bit of confidence needed to move forward.”**

BILL ALEXANDER

For Bill Alexander and David Doss, RMI was the solution to their company’s growing pains.

Based in Kansas City, Alexander Mechanical is a successful heating, ventilation and air conditioning (HVAC) and plumbing contractor for industrial and commercial clients throughout the Midwest.

Founded in 1999, the company doubled in size in its first five years, and by 2007 had moved three times to keep up with growth. Alexander decided it was time to build.

“We were tired of leasing,” he remembers. “We wanted to control our own destiny.” Alexander began investigating financing options with Union Bank, which steered him to RMI and a 504 Loan.

“Working with RMI gave our lending institution that extra bit of confidence needed to move forward with the project,” Alexander says. “RMI walked us through the paperwork and within three months we were approved.”

In September 2009, Alexander Mechanical moved into its new 15,000-sq.-ft. building. The new space allows the company to do more of its

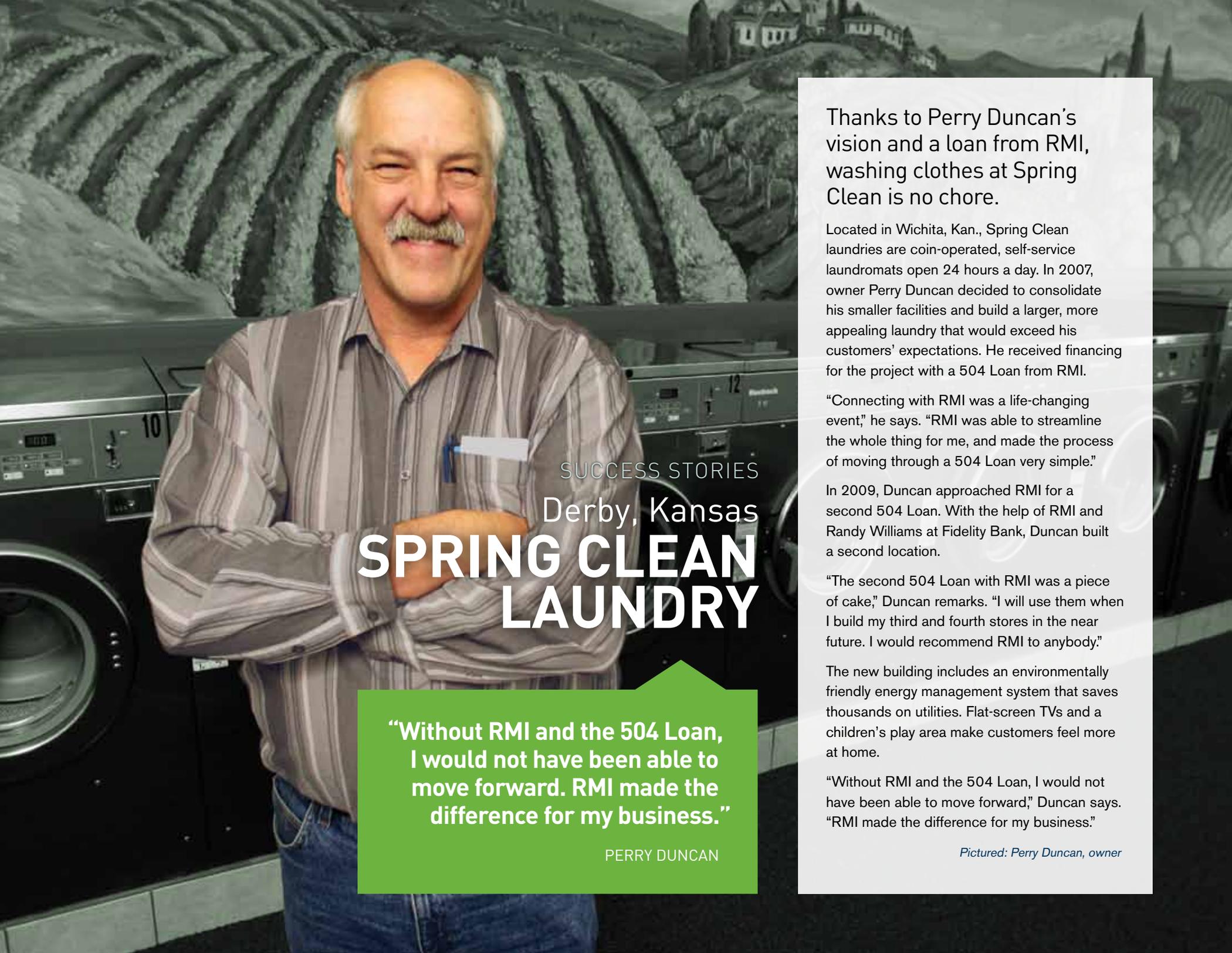
prefabrication work indoors, cutting down on missed production time due to rain and snow.

The building is designed for growth and will eventually accommodate additions up to 45,000 square feet. “This building will sustain us for the next 20 years,” says Alexander, who is already planning the first addition.

Alexander says the secret to their success is keeping customers happy. “The bulk of our work is from repeat customers. The reason for our growth? We perform. And we perform consistently.”

*Pictured: David Doss (left) and Bill Alexander, owners*





SUCCESS STORIES

Derby, Kansas

# SPRING CLEAN LAUNDRY

**“Without RMI and the 504 Loan,  
I would not have been able to  
move forward. RMI made the  
difference for my business.”**

PERRY DUNCAN

Thanks to Perry Duncan’s vision and a loan from RMI, washing clothes at Spring Clean is no chore.

Located in Wichita, Kan., Spring Clean laundries are coin-operated, self-service laundromats open 24 hours a day. In 2007, owner Perry Duncan decided to consolidate his smaller facilities and build a larger, more appealing laundry that would exceed his customers’ expectations. He received financing for the project with a 504 Loan from RMI.

“Connecting with RMI was a life-changing event,” he says. “RMI was able to streamline the whole thing for me, and made the process of moving through a 504 Loan very simple.”

In 2009, Duncan approached RMI for a second 504 Loan. With the help of RMI and Randy Williams at Fidelity Bank, Duncan built a second location.

“The second 504 Loan with RMI was a piece of cake,” Duncan remarks. “I will use them when I build my third and fourth stores in the near future. I would recommend RMI to anybody.”

The new building includes an environmentally friendly energy management system that saves thousands on utilities. Flat-screen TVs and a children’s play area make customers feel more at home.

“Without RMI and the 504 Loan, I would not have been able to move forward,” Duncan says. “RMI made the difference for my business.”

*Pictured: Perry Duncan, owner*

Ray Riek and Carbolytic Materials Company have found success giving new life to old tires.

Carbolytic Materials Company, or CMC, purchases end-of-life rubber products—mostly old tires—and uses an innovative process to create ApexCM™, an alternative to a material called carbon black.

ApexCM™ is used as a tinting and reinforcing agent in rubber and plastic products such as hoses, gaskets and roofing material.

Based in St. Louis, CMC spent several years preparing to bring their product to the market. In July 2009, they opened their first factory with the help of Advantage Capital Partners and a 504 Loan from RMI.

“The people at RMI were extremely knowledgeable,” says CEO Ray Riek. “We knew about SBA Loans, but not how to do them. RMI asked all the right questions and made sure we understood everything.”

The 25,000-sq.-ft. plant was strategically built in Maryville, Mo., where CMC could draw scrap tires from Kansas City, Des Moines and Omaha. The company is the first occupant of the Center for Innovation and Entrepreneurship at Maryville University and enjoys great support from the community.

“The 504 financing allowed us to build a factory specially suited to our needs,” says Riek. “It’s designed to meet all environmental and safety standards that come with running an industrial chemical plant.”

For Riek, pairing break-through technology and good old recycling is exciting work. “Not only can we produce a cost-effective alternative to carbon black, we can keep millions of tires out of the landfill each year.”

*Pictured: Ray Riek, CEO*

SUCCESS STORIES

Maryville, Missouri

# CARBOLYTIC MATERIALS COMPANY

**“The 504 financing allowed us to build a factory specially suited to our needs.”**

RAY RIEK

SUCCESS STORIES

Springfield, Missouri

# THERAPY SUPPORT

**“RMI’s expertise made the process seamless. They were very good at explaining things upfront. We were able to start building quickly.”**

DAVE PAVLIN

For Dave and Russell Pavlin of Therapy Support Inc., improving the quality of people’s lives has resulted in a healthy business.

Based in Springfield, Mo., Therapy Support provides a broad range of specialty medical equipment to hospitals, hospice organizations, and long-term care facilities.

Since its modest beginning in the Pavlins’ home in 1997, the company now has 16 offices in Missouri, Ohio and Texas, and has 136 employees.

Due to their growth, the Pavlins decided in 2008 to build a corporate office in Springfield. They contacted Dave Thater at Citizens National Bank, who recommended RMI for a 504 Loan.

“RMI’s expertise made the process seamless,” says Dave Pavlin. “They were very good at explaining things upfront. We received the money and were able to start building quickly.”

While providing a thorough business history for the loan application, the Pavlins were able to see the strengths within their own company. “It was a surprisingly pleasant experience,” recalls Russell Pavlin, Dave’s wife and business partner.

Therapy Support’s new 16,000-sq.-ft. building was completed in February 2009, and is now the main corporate office for the entire company.

With the 504 Loan’s low interest rate and low down payment, the Pavlins have more cash available to invest back into their business. Since completing the building, Therapy Support has purchased new company software, implemented a hand-held delivery tracking system, and hired six new employees.

“We’re better able to focus on serving our customers now,” says Dave.

*Pictured: Dave Pavlin, owner*

SUCCESS STORIES

Springfield, Missouri

# DINING BY DESIGN

**“RMI was extremely helpful and always made time for me. They were truly interested in my success.”**

RYAN TILLER

When Ryan Tiller’s catering company needed financing, RMI brought something to the party.

Dining by Design is a full-service catering company specializing in weddings, parties and corporate events in the greater Springfield, Mo. area. They operate out of two convention facilities: Wellington Place downtown, and the newer Wellington South, which seats 150 guests and features a specialty pie shop.

Tiller purchased the Wellington South location in 2008 with the help of a 504 Loan from RMI.

“The Wellington South property was a large expense,” Tiller says. “Even with good credit, banks weren’t excited about loaning a 30-year-old so much money. The 504 Loan took that liability and spread it across three entities—me, the bank, and the SBA.”

RMI worked closely with Casey Pyle at Liberty Bank to find the best financing solution to fit Tiller’s growing business model.

“RMI was extremely helpful and always made time for me,” Tiller recalls. “They were truly interested in my success.”

The Wellington South location provides a greater retail presence, and allows Dining By Design to successfully market to new clientele and continue the company’s impressive growth.

“Our volume has increased substantially, and we’ve hired more employees,” Tiller says. “Without RMI, we wouldn’t be able to serve the number of clients we do today.”

*Pictured: Ryan Tiller, owner*



## SUCCESS STORIES

Jefferson City, Missouri

# RIA'S RESTAURANT

**“RMI allowed me to make my dream a reality. I am very grateful for the opportunities America has given to me.”**

CHRIS TOTSIKAS

For Chris Totsikas, hard work and a love of the community have turned his family restaurant into the American dream.

Originally from Greece, Chris Totsikas came to America in 1974. With him, he brought a few hundred dollars and a dream of making a good life for his family.

Totsikas worked for other Jefferson City restaurants before opening his own in 1978. In 1989, he decided to build his own building, and through Jefferson Bank of Missouri, was introduced to RMI.

“RMI allowed me to make my dream a reality,” Totsikas says. “The bank can only lend you a certain amount of money. That’s where RMI comes in.”

In 2006, Totsikas decided to build again with the help of a second 504 Loan from RMI. “Because RMI helped me back in 1989, this time it was like working with family,” he recalls. “I trust them and they trust me.”

Today, Totsikas is the proprietor of Ria’s Restaurant & Lounge in Jefferson City. The restaurant opened in 2008 and is named after the three Rias in his life—his wife and two granddaughters.

The 11,500-sq.-ft. restaurant features high ceilings, an open kitchen, and space for patio dining. Three generations of the Totsikas family help manage the restaurant, which employs more than 50 people.

Totsikas is clearly proud of the successful business he and his family have built. “We work hard,” he says. “But we love this business. And we love the people in this community. I am very grateful for the opportunities America has given to me.”

*Pictured: Chris and Ria Totsikas, owners*

Thanks to a 504 Loan and a new building, the Moss brothers' fireplace business is really heating up.

For 24 years, the Moss family has been providing the latest designs in stoves, fireplaces and grills for homes and businesses throughout the greater St. Louis area.

In 2007, brothers Norman and Ron decided to consolidate their retail, warehouse and office spaces into a new building. They worked with Fifth Third Bank of St. Louis, who put them in contact with RMI.

"Working with RMI was a pleasure," says Norman Moss. "They were extremely professional and made a complex process very easy."

For the Moss brothers, there were many advantages. "The 504 Loan allowed us to lock into a low interest rate, and design a space that reflects the quality of the products and services we offer," Norman says.

The 9,600-sq.-ft. building features a spacious showroom with over 60 burning displays and an employee training room used to keep salespeople up-to-date on the latest products. Outside, specially designed landscaping includes native grasses to control stormwater runoff.

Not only has the new building increased sales, it has allowed Arnold Stove & Fireplace Center to give back to the community. In 2009, the store held a barbecue fundraiser which raised \$9,000 for the Leukemia & Lymphoma Society.

"This is not just about selling fireplaces," says Norman. "Every person on our staff puts their heart into this. Our customers rely on us, and they know that unless we'd put a product in our own home, we wouldn't think of putting it in theirs."

*Pictured: Norman Moss (left) and Ron Moss, owners*

## SUCCESS STORIES

Arnold, Missouri

# ARNOLD STOVE & FIREPLACE CENTER

**"RMI was extremely professional and made a complex process very easy."**

NORMAN MOSS

SUCCESS STORIES

Marshfield, Missouri

# LABEL SOLUTIONS

**“RMI was a good vehicle to secure a loan to build. The process of getting information and approval was streamlined and efficient.”**

RICK JONES

Rick Jones, owner of Label Solutions Inc., has seen many signs of success throughout his career.

Jones started Label Solutions 20 years ago in Marshfield, Mo., printing labels and wide-format graphics for signs. Today, his company is the largest supplier of industrial gas cylinder labels in the country.

By 2006, Jones realized his building needed to expand to keep up with his growing client base.

Doug Burnett at Southern Missouri Bank referred him to RMI to help.

“RMI was a good vehicle to secure a loan to build,” Jones says. “With RMI, the process of getting information and approval was streamlined and efficient.”

Jones saw the 504 Loan’s low-interest, 20-year fixed rate as a way to control costs. After building the new facility, he approached RMI again in 2009 for a loan to add on.

“We got a competitive loan at a fixed rate, which allowed us to affordably expand our operation,”

says Jones. “The 504 Loan was a more competitive rate than a standard SBA loan.”

A 504 Loan with RMI allowed Label Solutions to stay competitive in the market place and the business is continuing to grow as a result.

“Now, we can compete with larger businesses, offer better service, and accommodate for future growth,” Jones states. “When we started this business, we had nine employees. Now we have more than 30.”

*Pictured: Rick Jones, owner*

# OUR LENDING PARTNERS

Teamwork is the hallmark of the 504 Loan Program's success.

In 2009, RMI was proud to work together with these outstanding lending institutions. We sincerely thank each of our lending partners and look forward to working together as a resource for business success in 2010.

*Arvest Bank*

*BancorpSouth*

*Bank of Blue Valley*

*Bank of Bolivar*

*Bank of the Prairie*

*Bank of Weston*

*Bloomfield State Bank*

*Commerce Bank*

*Community Bank and Trust*

*Community National Bank*

*Equity Bank, n.a.*

*Fidelity Bank*

*Fifth Third Bank*

*First Bank of Missouri*

*First Midwest Bank*

*First State Bank*

*FSC Financial*

*Garden Plain State Bank*

*Guaranty Bank*

*Hawthorn Bank*

*Heartland Bank*

*Ironstone Bank*

*Jefferson Bank of Missouri*

*JP Morgan Chase Bank*

*Legacy Bank*

*Legends Bank*

*Liberty Bank*

*Metcalf Bank*

*National City Bank*

*Oakstar Bank*

*Palmyra State Bank*

*People's Bank of the Ozarks*

*RelianzBank*

*Rose Hill Bank*

*Southern Missouri Bank*

*Springfield First Community Bank*

*The Bank of Missouri*

*Union Bank*

*University National Bank*

*UMB Bank*

*West Plains Bank & Trust*

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Wichita, KS  
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## Contact Us on The Web

Visit our website to learn more about RMI, the 504 Loan Program and our other loan programs designed to help businesses meet their financing needs.

[www.rmiinc.org](http://www.rmiinc.org)



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