



2017 ANNUAL REPORT

and Six Profiles of Business Success



BUILDING SUCCESS WITH 504 LOANS



It is declared to be the policy of the Congress and the purpose of this Act to improve and stimulate the national economy in general and the small business segment there of in particular by establishing **A PROGRAM TO STIMULATE AND SUPPLEMENT THE FLOW OF PRIVATE EQUITY CAPITAL AND LONG-TERM LOAN FUNDS WHICH SMALL BUSINESS CONCERNS NEED** for the sound financing of their business operations and for their growth, expansion, and modernization, which are not available in adequate supply...



SMALL BUSINESS INVESTMENT ACT OF 1958

from Sec. 102. Statement of Policy



A Guide to SBA Loans

Who's involved?

The business owner/borrower, RMI, and a bank.

How does the SBA 504 Loan program work?

The financing structure is pretty straight-forward. Working with a lender, RMI provides up to 40% of the financing for the purchase of existing commercial real estate or new construction and equipment. The banking institution typically provides 50% of the financing, while the borrower pays as little as 10% down. Even better, SBA 504 Loans are long term with fixed rates. Business owners are able to access capital at the lowest possible cost, and feel confident knowing their monthly payments won't change over the life of the loan.

What's the process?

Borrowers contact RMI to discuss their project with an experienced loan officer. With RMI's help, they complete an SBA 504 Loan application, which is very similar to the one required by banks for conventional loans. After that, RMI works directly with the banking institution and the SBA to move the application through the approval process as quickly and smoothly as possible. RMI helps business owners build success every step of the way—from application to disbursement.

Other Loans

Intermediary Relending Program (IRP)

The Intermediary Relending Program provides up to \$250,000 in financing to for-profit businesses located in non-metro areas with a population below 50,000. Funds are used for fixed assets, inventory or working capital.

RMI Direct

RMI Direct provides up to \$250,000 in fixed-rate financing to for-profit businesses. Funds are used for fixed assets, inventory or working capital.

RMI is an SBA Certified Development Company (CDC). The Small Business Administration has authorized us to make 504 Loans and work on behalf of businesses to make the application and approval process fast and easy.

LETTER FROM THE Executive Director

Dear Friends,

Thank you for making 2017 another remarkable year for RMI. Our dedicated staff continues to support innovative small businesses so they grow strong and more competitive—whether it's a brand new businesses like CoMo Growlers and Pints, an expansion of services like Fort Smith Radiation Oncology, or re-financing a previous loan like interior design group Taylor-Martin.

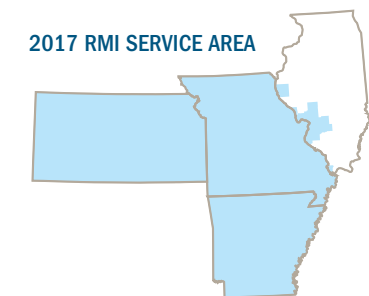
As you read a few of our success stories inside, you'll see why we're passionate about what we do. And that passion means we have our own success story:

- In Fiscal Year 2017, RMI had fifty 504 loans approved for more than \$42 million—an increase of 62% from the previous year.
- During this same period, we had 12 RMI Direct and IRP loans approved for \$1.9 million—an increase of over 300% from the previous year;
- We expanded into Arkansas, which means we're now able to help more small businesses, as well as build on our effectiveness and efficiency;
- We are recognized as a leader in the field, named the #1 CDC in the region by the SBA for loan volume.

Our success means we can continue to do our part for economic development and job creation in the year ahead. We look forward to working with small businesses and lenders throughout Missouri, Kansas, Arkansas and parts of Illinois to provide the financial resources needed for creating small business success. ■

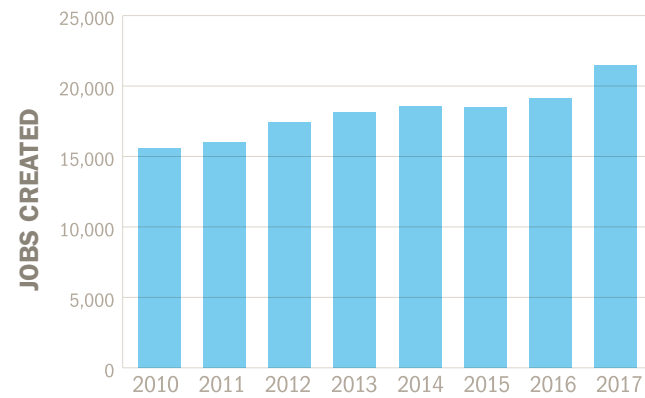

Zola M. Finch
 RMI EXECUTIVE DIRECTOR

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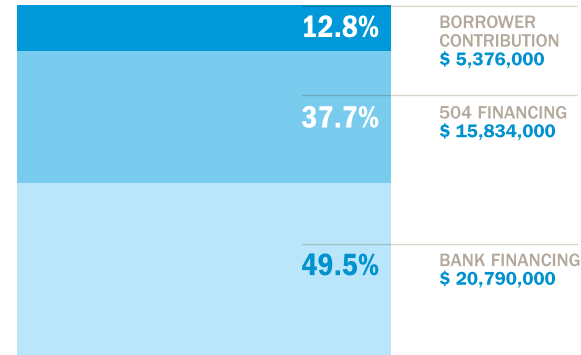


RMI 2017 Accomplishments



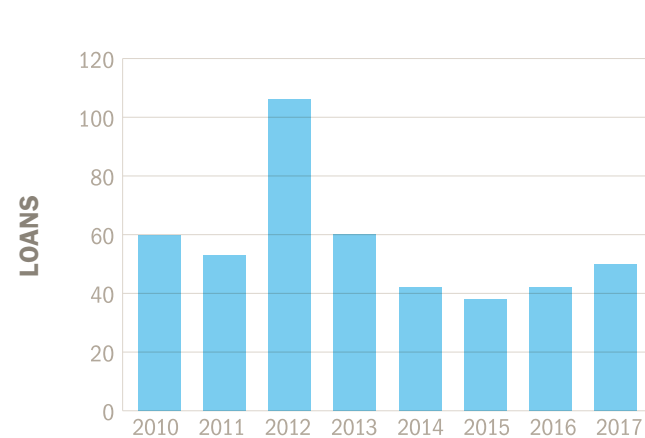
JOBS CREATED AND RETAINED

Providing 504 financing opportunities to our clients has resulted in the creation and retention of more than 21,000 new jobs in our service area since our inception.



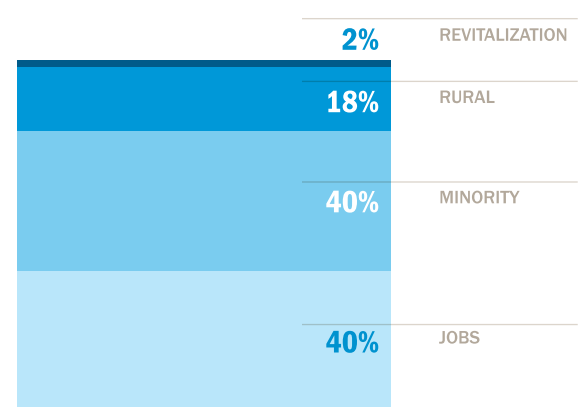
BUILDING COMMUNITIES WITH 504 LOANS

RMI assists a diverse group of businesses and projects. We serve as a financial resource to help improve communities and make them stronger.



504 FINANCING APPROVED

In the last seven years, RMI has provided more than 600 businesses with the financing to help them build success.



MAXIMIZING PRIVATE CAPITAL WITH 504 LOANS

Each 504 Loan project includes a conventional first mortgage of 50 percent. Because of this, our 504 activity has leveraged a total of more than \$67 million in capital investment in 2017.

Fruitland Hardware

JACKSON, MISSOURI

Fruitland Hardware is the kind of old-fashioned hardware store where you can go when you need a whatchamacallit or a thingamajig. You can have a key made, repair a screen door, or even rent a U-Haul trailer. Owner Steve Holland says, “When someone walks through the door, I know they’ve either run out of something or they need help because something’s broken.”

Holland grew up in Jackson, a stone’s throw from Cape Girardeau and the Mississippi River. After serving 30 years in the military and living all over the world, he retired and moved back to the area in 2013. He spent a lot of time at the local hardware store as he helped his parents work on their nearby home.

So when the opportunity to buy the store came up, Holland called Janet Varner at Southern Bank. She told him about the benefits of the IRP loan available through RMI. The 15-year loan with its fixed-rate interest provided stability and since the loan required no down payment, Holland could use his personal savings for improvements and operational expenses. And Holland found the process “surprisingly simple” as he worked with Varner as well as Mindy Murry at RMI.

Financing in hand, he was able to buy the 2,500 square foot building as well as the inventory. His customers can now keep coming to their local hardware store instead of driving 12 miles to the nearest big box store. “They can come in, find what they need, and be home within thirty minutes,” he says.

Holland plans a 700 square foot expansion and is working out the details of hiring a part-time handyman. “I feel like I’m a part of helping Fruitland grow into a true community instead of just a town,” he says. ■

“The way the IRP loan is structured makes it very workable. You can plan because you know just how much your payment is each month.”

—Steve Holland



Patti and Steve Holland



Teresa and Dusty Dahmer

Dahmer Contracting Group

LENEXA, KANSAS

“Kudos to bankers who know that products like this are out there.”

— Teresa Dahmer

Between 1930 and 1934, Harry Truman occasionally took refuge at the then-new, elegant Pickwick Hotel in downtown Kansas City. Time took its toll but a recent \$65 million historic renovation saw the hotel reborn as East 9 at Pickwick Plaza, a luxury apartment complex.

Behind the glitz and glamour is the sound structure of Dahmer Contracting Group, whose work on the project included metal stud framing, drywall hanging, and drywall finishing. DCG’s many projects also include schools, hospitals, churches, commercial buildings and data centers.

Construction management runs in the family. Dusty Dahmer worked for his father’s drywall business growing up. As he and his wife Teresa grew the business, they knew they needed more space and wanted to buy. They found a 10,000 square foot building and approached their banker, Cindy James at Hawthorn Bank in Lee’s Summit. James had worked with RMI on SBA loans in the past and connected the Dahmer’s with RMI’s Mindy Murray.

The 504 financing allowed the Dahmer’s to achieve their goal of owning their own building. The larger building has allowed them to hire more salaried staff, secure more projects and profits have increased. Best of all says Teresa, owning the building and knowing the loan terms are fixed means they can focus on the future. ■



CoMO Growlers & Pints

COLUMBIA, MISSOURI

College towns and craft beer go together like football games and tailgating. So when Aaron Banks decided to turn his love of craft beer into a business, he opened Missouri’s first filling station for beer growlers in Columbia, home of the Mizzou Tigers. For the uninitiated, a beer growler is a 32- or 64-ounce air-tight jug that allows you to take draft beer with you.

CoMO Growlers & Pints looks like a brewery taproom with exposed ceilings, wood plank walls, and concrete floors. “Patrons can sample any beer on tap, sit at a table in the taproom and drink a pint, and get a growler to go,” says Banks. Before Banks opened CoMO Growlers & Pints in 2016, the only place to refill growlers was at breweries or select restaurants. So Banks lobbied the state for three years to see retail growler fills legalized.

Of course, Banks also needed start-up capital for the fixtures, equipment, and inventory. After talking with several banks about financing with collateral loans, his wife Stacy suggested RMI. She was familiar with RMI through her own work and knew RMI helped facilitate small business financing. Banks shared his dream with Zola Finch and Mindy Murray at RMI. “They understood right away what I wanted to do,” he says. “Mindy was great to work with and gave me some great advice.”

Now patrons relax in the tasting room while they sample an ever-changing selection of craft brews or share a round with friends—exactly the kind of place Banks dreamed of. With more people than ever discovering craft beers and the convenience of growlers, Banks looks forward to growing his business and answering the call to “fill ’er up!” ■

“It was heartwarming to know there were people who believed in me and my dream.”

—Aaron Banks



Aaron Banks



Dr. Kris Gast



Fort Smith Radiation Oncology

FORT SMITH, ARKANSAS

When the diagnosis is cancer, your life instantly changes. You worry about health, family, and survival. That's why Fort Smith Radiation Oncology provides not only cancer radiation treatment, but also support groups and educational programs.

Dr. Kris Gast, a radiation oncologist in private practice since 1999, not only treats patients, she empowers them with information and options. "Our goal is to have our patients become healthier than they were before treatment," she says.

Gast decided to open her own practice when the clinic she was working at was bought by a hospital in 2011. She found a 12,000 square foot building but it required major renovation to include an additional vault with four-foot thick concrete walls that would contain the high-energy radiation equipment needed to treat patients.

When the initial five-year loan was up for review, Gast worked with Ryan Quigley at Armstrong Bank because he understood her clinic was more than a medical practice—it was a small business. He suggested a 504 loan with RMI. "I feel fortunate that Ryan and Mindy Murray at RMI did most of the heavy lifting with the refinancing paperwork," Gast says.

Gast says the best thing about 504 financing is the security it offers. The 20-year fixed rate eliminated worry about rate fluctuations and refinancing every five years. Knowing what she was going to be paying every month allowed her to think more long-term and make plans for the future.

Today the clinic offers expanded care and programs and is active in the community with projects such as American Cancer Society, Relay for Life, and Paint the Park Pink. She says about twenty percent of the people who come in aren't even cancer patients. With four new employees and new equipment, she says Fort Smith Radiation Oncology can provide more comprehensive care for the community. ■

"I wish more small businesses knew about this kind of financing. It would make a huge difference for them."

—Kris Gast, M.D.

ESJ, Inc.

SEDGWICK, KANSAS

When you're in the business of transporting windshields and windows, you want to shatter expectations, not the glass. It's clear to see why the trailers and racks used to move glass are so important. Unruh Fab builds the specialized equipment that specialized businesses need—flat glass, auto glass, and stone transporting equipment in addition to their Easy Clean Bunk Cleaner.

Unruh Fab is part of ESJ, Inc., in Sedgwick, Kansas, which also builds specialized fire trucks and rescue vehicles for everyday heroes across the United States.

Steve Lawler knew that 20 years as a civil construction engineer provided the management experience needed to oversee this kind of manufacturing. So when he was ready to buy the business in 2016, he talked to Brice Malloy at Legacy Bank. Malloy told him about RMI and 504 loans.

Lawler says that without the 504 loan, he would have had to use all of his equity to buy the business. "It would have forced me to question whether or not it was worth it." He credits Annette Darnell at RMI for making the process easy by walking him through the entire loan process.

Lawler used the loan to purchase the manufacturing company's 46,000 square foot building and all its equipment.

Today the company has 34 full-time employees and Lawler is looking at vertical integration as a key to growing the business by making some of the manufacturing parts on site. "In 2016, we sold or shipped our products to customers in 46 states," he said. ■

"If someone wanted to expand their business or buy a business, I'd send them to RMI."

— Steven Lawler



Steve Lawler



J. Kent Martin and Nathan Taylor

Taylor Martin Group

SPRINGFIELD, MISSOURI

Some people look for a beautiful place. Others make a place beautiful. J. Kent Martin and partner Nathan Taylor are passionate about the latter. The two own Taylor-Martin Group, a family of companies that bring style and upscale design to their customers' lives. Following this philosophy, Taylor and Martin purchased and artfully restored a 1900's building in Springfield, Missouri, that was once a grocery warehouse.

Today the 40,000 square foot building is home for the TMG family: the interior design retail studio Obelisk Home, the offices of BridgeBlue furniture design, and Unleashed Life, a stylish pet product purveyor. And for a fortunate few, they've created an urban residence space, The Lofts at Inspired Commerce. TMG financed the original purchase and renovation with a traditional loan, but when it was time to refinance, they spoke with their banker Barbra Wallace at Central Bank of the Ozarks about a 504 small business loan, who connected them with RMI.

"The way the loan is structured makes it very workable," Martin says. "You can plan because you know just how much your payment is each month." He says the long-term, fixed rate freed up capital for other uses.

Working with RMI strengthened their relationship with their local bank, Martin explains, because they shared the debt load. And he was impressed with the people at RMI, crediting Annette Darnell at RMI for being their advocate throughout the loan process—and she even became a TMG customer.

The success of TMG enables them to give back to the community by sharing their passions like hosting charity events, participating in First Friday Art Walk, and giving back through local organizations like Habitat for Humanity and Ronald McDonald House.

Today TMG has grown from six employees to 18 and are like family, Martin says. "We have great people who combine a strong work ethic with creativity and talent." ■

"Entrepreneurs and business owners would be smart to look into alternative financing such as the 504 loan."

— J. Kent Martin

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RMI Lending Partners

RMI was proud to work with these outstanding lending institutions in 2017.

Andover State Bank

Arbor Bank

Armstrong Bank

Arvest Bank

Bank Midwest, N.A.

Bank of America, N.A.

Bank of Bolivar

Branson Bank

Central Bank of the Midwest

Central Bank of the Ozarks

Commerce Bank

CrossFirst Bank

Eagle Bank & Trust

Emprise Bank

Equity Bank

First Bank Financial Centre

First Midwest Bank of the Ozarks

Fountainhead Commercial Capital

Guaranty Bank

Hawthorn Bank

Heritage State Bank

Home Bank and Trust Co.

OakStar Bank

Ozark Bank

Platte Valley Bank

Regions Bank

Simmons Bank

Southern Bank

Springfield First Community Bank

The Bank of Missouri

Contact Us

RMI professionals serve communities and businesses throughout the Midwest. Please call our headquarters to find out which RMI loan representative can best serve you.

RMI Headquarters

3324 Emerald Lane
Jefferson City, MO 65109
Phone: 573 635-0136
Toll Free: 800 234-4971
Fax: 573 635-5636
Mindy Murray
(504 Loans, IRP Loans, RMI Direct Loans),
mindy@rmiinc.org
Lucas Berhorst,
lucas@rmiinc.org

RMI Missouri Southwest

1600 Arbour
Lebanon, MO 65536
Phone: 417 532-8760
Annette Darnell,
annette@rmiinc.org

RMI Metro Kansas City

Mindy Murray,
800 234-4971
mindy@rmiinc.org

RMI Kansas

Wichita, KS
Phone: 316 213-8433
Annette Darnell,
annette@rmiinc.org

RMI Metro St. Louis / Illinois

St. Louis, MO
Mindy Murray,
mindy@rmiinc.org
800 234-4971

RMI Arkansas

Mindy Murray,
mindy@rmiinc.org
800 234-4971



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