Motion: M. Remigton

Second: B. Gladwin

Approved 04/14/2022

**North Country Alliance Local Development Corporation**

**Loan Review Committee Meeting**

**January 12th, 2022 at 2PM**

**Minutes**

The North Country Alliance Local Development Corporation held a NCA Loan Review Committee meeting on Wednesday January 12th, 2022 at 2:00 PM via conference call. Dial information (315)661-3250; User: 482; Password: 482

**Present:** Ross Pancoe, Brian Gladwin, Steve Hunt, and Marijean Remington

**Excused:** Ron Bacon

**Others:** Patrick Kelly (SLC IDA LDC)

**Call to Order:** The meeting was called to order at 2:06 by Brian Gladwin

1. **New Business:**
	1. None
2. **Loan Review Request – Blast Boss, Inc. dba Iron Horse Grill is requesting a total of $100,000; - $50,000; 5 year term (10 year amortization) at 5% with a balloon in year 5 (UDC)- $50,000; 10 year term at 5% (RBEG)** –
	1. M. Siver gave an overview of the loan package and indicated that Mr. Brown planned to utilize his current company, Blast Boss, Inc., as the borrower for the business and he did not plan on establishing a separate operating company at this time. NBT Bank participated in the project in the amount of $70,000 toward the purchase of the real estate. The building has two residential apartments above the restaurant and the projected rents for the units would almost cover the cash flow for the project independent of the restaurant. M. Siver gave an overview of Blast Boss, Inc.’s financials, the proposed Pro Forma for the Iron Horse Grill, and the credit analysis on Mr. Brown and Blast Boss, Inc. M. Siver indicated that overall the borrower is a strong credit and the proposed projections for the restaurant appear to be conservative, and the NCA appears to be well collateralized with a 2nd mortgage and assignment of rents and leases in addition to a 1st lien position on all machinery and equipment, furniture and fixtures, inventory and accounts receivable of Iron Horse Grill. M. Siver also indicated that the NCA will have the corporate guarantee of Mr. Brown’s real estate holding company, Mechanic Street Co., Inc. The appraised value of the building, as is without improvements, is approximately $100,000 and M. Siver mentioned that the primary equipment collateral is a Point of Sale System, Pizza/Restaurant Ovens, and restaurant equipment.
	2. Patrick Kelly – P. Kelly reviewed Mr. Brown’s payment history and indicated that he is a good customer and hasn’t missed payments over the time he has loans with the SLC IDA LDC. Mr. Brown approached Patrick in reference to the restaurant project. P. Kelly did a walk through with Dallas Sutton at NBT Bank and the building and apartments appeared to be in very good shape. P. Kelly indicated that the building was in the perfect location to utilize a National Grid – Main Street Grant – right on Main Street in Morristown, NY. P, Kelly was surprised that the building was in really good condition, almost turn key, although P. Kelly indicated that Mr. Brown is putting quite a bit into upgrades.
	3. B. Gladwin – Any questions for Patrick or for Matt? Marijean – comments – met Mark Brown through networking activities and he seems like a very capable guy. On a personal level she believes that a restaurant in that location is sorely needed as there isn’t a family style restaurant option in to the Morristown area. M. Remington asked P. Kelly how far the dock is from this building? P. Kelly indicated that the building is probably two blocks from the river. S. Hunt commented that he thinks it looks like a good project with no comments or questions. B. Gladwin had a good discussion with Dallas Sutton and all appears to be a good project and had positive things to say about Mark Brown, although he will abstain due to NBT Bank participating in the project.
		1. Motion: M. Remington
		2. Second: S. Hunt
		3. Abstain: B. Gladwin
		4. All in favor; 1/12/2022
3. **Adjournment:**
	* 1. Motion: B. Gladwin
		2. Second: M. Remington
		3. All approved 1/12/2022

The next North Country Alliance Loan Review Committee meeting is scheduled to be held Thursday, February 3rd, 2022 at 2PM if necessary.