



Portfolio News

A quarterly update from Cambridge Capital Management Corp.™
professional manager of non-traditional financing sources

Cambridge Capital
Management Corp.

Second Quarter 2015

We Appreciate All Our Volunteers

Volunteers are the reason Cambridge Capital Management Corp. can help businesses grow in every part of Indiana. To our staff, the boards of directors and loan committees -- and lenders who propose our programs to prospective borrowers -- are our "eyes and ears" in local communities.

We appreciate people such as Daryl Pomranke and Mary Jo Kennelly, the newest members of Indiana Statewide CDC loan committees. Daryl, regional president for First Merchants Bank Lakeshore Region, joins the Northern Loan Committee. Mary Jo of Centier Bank, has been added to the Central Loan Committee. Mary Jo, by the way, just completed service to the Statewide CDC Board of Directors.

Volunteer boards of two companies managed by Cambridge Capital, Lynx Capital and Indiana Community Business Credit Corp. held their annual board elections in May.

The Lynx board re-elected Eli Lilly's Thomas Grein as president, David Kretschmer of Anthem as treasurer and Jean Wojtowicz of Cambridge Capital Management as

secretary.

Elected to board terms ending in 2018 were; Grein, Matt Murphy of Mays Chemical Co., Mark Bruin of National Bank of Indianapolis, Mike Newbold of The Huntington National Bank, and Mark Pishon of Indiana Economic Development Corp. Elected to a two year term until 2017 was Brandi Davis-Handy of Indianapolis Power & Light.

Indiana Community Business Credit Corp. also re-elected its board officers: Mike Newbold of Huntington National Bank, president; Kevin Smith of KeyBank, vice president; and Jean Wojtowicz, secretary. Four directors were elected to new terms ending in 2018. They are; Smith, Bill Denton of Horizon Bank, Neil Miller of 1st Source Bank and Scott Thiems of Regions Bank.

We couldn't do our work without these and other volunteers. Most are busy people with active family lives who also offer their time and talents to many community enterprises. We are grateful they include us in their schedules. We say "thank you."



Brandi Davis-Handy, IPL; Cynthia Bates of Presidential Properties; and Sara Mamuska-Morris, Citizens Energy Group interacting at the LYNX Annual Meeting.



Barry Blackwell, Duke Energy and Cynthia Gardner owner of HG Metals.

Indiana Statewide Certified Development Corporation

The "effective" interest rates include the monthly amortization of the notes and the monthly payment of servicing fees.

Effective Interest Rate

2015	10-yr.	20-yr.
April	—	4.59
May	4.37	4.85
June	—	5.06



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Indiana Statewide Certified Development Corporation

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Central Indiana calls itself “the Crossroads of America.” PKG Express makes it real by trucking auto parts, machinery, produce, ice cream -- and more -- to nearly every state.

Harold Williams founded PKG Express in Rushville in 1997, starting with one truck and a small garage. Last year, Williams and VP Brent Rouse worked with Napoleon State Bank and Indiana Statewide CDC on SBA 504 financing for the company’s biggest move yet.

PKG Express purchased a large building that once housed a lumber yard and remodeled it to add six truck maintenance bays, a warehouse and office. With this expansion the company now has 47 full-time employees including 32 drivers.

Joe Moorman of Napoleon State Bank says, **“PKG Express retained enough working capital to run the business while meeting the reduced down payment required by the SBA 504 program and benefiting from the long-term, reduced interest rate.”**

Rouse says, **“We wouldn’t have been able to make the deal without the 504 loan.”** He says the new location pays “huge dividends,” pointing out that PKG Express has more space, is 19 miles closer to I-74 and now in the same town as its largest customer.

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

PKG Express

Shelbyville

In participation with

Napoleon State Bank

Greensburg



ISCDC managed by:
Cambridge Capital Management Corp.

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

Bel Air Events

Kokomo

In participation with

Community First Bank of Indiana

Kokomo



ISCDC managed by:
Cambridge Capital Management Corp.

The parade of prestigious events held in Kokomo’s new Bel Air Banquet Hall in less than one year bear out the owner’s confidence. **“The Bel Air is unique to Kokomo in that we are taking the idea of a banquet hall and bringing it into the 21st Century,”** says CFO Cynthia Yazdani, co-owner with her husband Mehrdad and his brothers, Terry and Iraj.

They obtained SBA 504 financing from Community First Bank and Indiana Statewide CDC to build and equip Bel Air. Cynthia Yazdani says, **“The 504 financing is great for us. It allows us to include everything we need to make the Bel Air a great place.”**

Bel Air seats 500 people for dinners, more for dances. Bel Air is located in the same block as the family’s other businesses; Pastariffic Italian Restaurant and the Casa Bella Banquet Hall. The family employs about 50 people.

Kelly Ayers of Community First Bank says, **“The family has a grand vision for the Bel Air that exceeds anything else in the area.”**

Groups hosting major events at Bel Air so far include; the Literacy Coalition, Humane Society, Howard County Head Start and the 100th Anniversary of the Kokomo Chamber of Commerce.

Chris Sumner and the 13 employees at Precision Racing Components design and manufacture parts for professional racing teams. Regular customers compete on IndyCar, NASCAR and drag circuits. **“When they need a part, they need it right away, and we can do that,”** says Sumner.

Precision Racing Components is in a manufacturing plant on Gasoline Alley, south of the Indianapolis Motor Speedway. Sumner leased the building, but has just completed buying it with SBA 504 financing from STAR Financial Bank and Indiana Statewide CDC.

Sumner says, **“The SBA 504 loan program is a good fit for our company. We were able to purchase our facility and reduce our monthly overhead expenses and provide stability so we can concentrate on growing the business.”**

Chad Baer of STAR Financial Bank says, **“The low down payment is a great option for this client, coupled with the low, fixed interest rate.”**

Precision Racing Components manufactures almost anything between the front of the racing engine and the tail pipe: from oil pumps to exhaust systems and electronic crash recorders.

Sumner is a three-decade racing veteran, working as team manager, crew chief, general manager and mechanic with several IndyCar teams.

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage for

Precision Racing Components, LLC

Indianapolis

In participation with

STAR Financial Bank

Indianapolis



ISCDC managed by:
Cambridge Capital Management Corp.

Indiana Community Business Credit Corp.

Second Quarter 2015



A new and important service is now available to senior citizens in and around Madison County with the opening of Assurance Health System in Anderson.

Operational capital for Assurance Health's 22-bed geriatric inpatient psychiatric treatment center comes from STAR Financial Bank and the Indiana Community Business Credit Corp. The City of Anderson also assisted with the package.

Assurance President Kyle Small says, **"We've been very pleased with the efforts of STAR Financial Bank, the Credit Corp and the city. This investment is a major assist for our hospital. STAR Financial and the Credit Corp. were very understanding of our goals and the need for this type of psychiatric treatment in Anderson."**

STAR Financial's Gary Erskine says, **"The Credit Corp. structured the mezzanine loan so that Assurance Health is able to fully fund its startup and bring this important service to the Anderson community."**

Assurance created new jobs in Anderson by employing 50 highly-trained psychiatric workers. Assurance Health System was founded in 2013.

Indiana Community Business Credit Corporation

Provided Growth Capital

For:

Assurance Health

Anderson, IN

In participation with

STAR Financial Bank

Anderson, IN



ICBCC managed by:
Cambridge Capital Management Corp.

Success Story: Associated Construction Publishing

In 2009, recession slammed the publishing and construction industries. John White did something counterintuitive: he bought Associated Construction Publications, a publishing company specializing in construction periodicals.

His banker, Doug Cowen at the National Bank of Indianapolis, recommended the Indiana Community Business Credit Corporation, which provide mezzanine funding for working capital and receivables financing.

"A great fit," says Cowen.

White says, **"The financing allowed us to focus on the magazines at a crucial time."**

White owned Associated Construction Publications (ACP) two decades ago, sold it in 1997, and bought it again in 2009 when the owner started to shutter the magazines.

"We scrambled to recover revenue. We have grown about 20% per year since then." Enough progress for ACP to complete its obligation to the Credit Corp. this year.

ACP -- located south of downtown Indianapolis -- publishes 13 regional and national titles such as: Construction Digest, California Builder & Engineer, New England Construction and Dixie Contractor with start-up dates ranging from 1898 to 1940.

White calls ICBCC's Charles Kennedy **"a great listener"** who helped make ACP's business plan better. **"Doug Cowen and Charles worked together to optimize our success."**

Success Story: Scotty's - THR3E WISE MEN

The Thr3e Wise Men brewpub in Broad Ripple, an Indianapolis arts and entertainment district, has been serving up pub food and craft beer for five years. Owner Scott Wise got a big boost in buying and remodeling the large building from Indiana Community Business Credit Corp.'s part of mezzanine capital and Huntington National Bank.

Scotty's LLC repaid its loan from the Credit Corp. pool of mezzanine earlier this year.

Thr3e Wise Men is a spin-off of earlier successful pubs, all called "Scotty's Brewhouse" in Muncie, Bloomington, West Lafayette, Indianapolis and other locations. Wise used SBA 504 funding from Indiana Statewide CDC for some of those projects as well. The hook for Thr3e Wise Men is that it was the first Scotty's location to brew it's own beer, which it also made available at the Brewhouses.

"Scott Wise's operations are stable in a difficult industry," Says

Charles Kennedy of the Credit Corp. **"Although he has expanded several times, he is actually a prudent overseer of his business and that enhances his prospects for success."**

James Aucremanne of Huntington Bank says, **"The Credit Corp. and the Thr3e Wise Men are a good match. We are pleased to leverage our bank's membership in the Credit Corp. capital pool to help this client grow."**

And, who are the Thr3e Wise Men? Scott, his young son, and Scott's father.

THR3E WISE MEN
BREWING CO.

Cambridge Ventures, LP

Second Quarter 2015



Cambridge Ventures, LP

Provided Growth Capital
For:

Oak Security Systems
Indianapolis



CVLP managed by:
**Cambridge Capital
Management Corp.**

Experiences in building one national lock brand based in Indianapolis led CEO Larry Rogers and CFO Marks Wilson to start another.

Rogers and Wilson founded Oak Security Systems in 2005. Rogers was with Best Access Systems for 15 years until 2001, starting as a sales rep and progressing to greater responsibilities managing 35 field offices and 1,100 employees, including 220 sales people.

Wilson's path was similar during his 21-year career with Best until 2001, ending as the company controller.

Rogers and Wilson started Oak Security in 2005 -- after their noncompete clauses with Best expired -- to replicate the market strategy that Best abandoned when it was purchased by Stanley. Oak designs and installs custom security systems, or engineer seamlessly integrated upgrades into existing systems.

Oak sales maintained an upward trajectory, but a sales drop in 2014 is leading to Rogers' and Wilson's decision to add to Oak's 17-member sales team and strengthen its supplier chain.

Cambridge Ventures L.P. is injecting working capital to help fund Oak's expansion. This follows an earlier successful investment by CVLP in 2010.

Lynx Capital Corp.



Lynx Capital Corp.

Provided Growth Capital
For:

Jewel Center
Indianapolis, IN



LYNX managed by:
**Cambridge Capital
Management Corp.**

The Jewel Event Center is a banquet hall and office complex located on the near north side of Indianapolis. Events at the Jewel Center have attracted 60,000 people in the Center's first five years, and owners Cynthia and Lauren Bates plan an expansion and other upgrades with assistance from Lynx Capital Corporation.

Cynthia and her daughter, Lauren bring backgrounds in other businesses to the project. Larry Bates, Cynthia's husband and Lauren's father, is also involved in his post-retirement life after 37 years at Ford Motor manufacturing in Indianapolis.

The Jewel Center is actually two businesses; the events center and a 22-suite office complex with permanent rentals. The Center is filling a need for high-quality conference and catering options near its location at 34th and Illinois Streets in Indianapolis.

Cynthia Bates says, "We're very fortunate to have seen good progress in our first few years of business, and projections are positive. Our Lynx financing is deeply appreciated and will be put to good use."

Cambridge Capital Management Corp.

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