



Portfolio News

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

Cambridge Capital
Management Corp.

Fourth Quarter 2011

Wayne Bank & Trust Co. is Indiana Statewide CDC Small Business Lender of 2011

Wayne Bank & Trust of Richmond is the 2011 Small Business Lender of the Year named by the Indiana Statewide Certified Development Corporation.

Wayne Bank won for making loans to Indiana companies from the U.S. Small Business Administration 504 loan program for small, expanding businesses. Indiana Statewide CDC works with local banks, such as Wayne Bank, to provide SBA 504 loans to Indiana small companies. The Statewide CDC's Small Business Lender of the Year is the bank with the most SBA 504 loans made with the Statewide CDC as a percentage of total bank deposits.

Dennis King of Wayne Bank & Trust accepted the Lender of the Year Award at the Indiana Statewide CDC's annual meeting in Indianapolis Wednesday night. King also was the Indiana banker who generated the most SBA 504 projects with Indiana Statewide CDC in 2011. The loans helped fund Lee's Famous

Recipe Chicken in Muncie and fuel and convenience stores in Indianapolis, Fort Wayne and Cambridge City.

Evansville Commerce Bank was runner-up among the 23 banks that competed for the Lender of the Year Award.

German American Bank, based in Jasper, had the most SBA 504 loans approved, with eight and generated over \$4 million from bond sales to finance the SBA 504 loans. Among the bank's loans were one to return Indiana's oldest mortuary to local ownership. Greg Cardinal was on hand to accept German American's award.

The SBA 504 loan program provides long-term, fixed rate financing for small business owners nationwide. Since the program started in 1986, SBA 504 loans have funded over \$62 billion in loans to over 130,000 small businesses. In turn, those small businesses have created or retained over 2.1 million jobs for the U.S. economy.

Wojtowicz says that the Indiana Statewide CDC has provided more than \$415 million to 955 Indiana companies, creating 26,500 jobs, since 1986. Indiana Statewide CDC is the leading SBA 504



Pictured above from Left to Right: Sandra McCleese (ISCDC), Dennis King (Wayne Bank & Trust Co.), Jean Wojtowicz (ISCDC)

lender in Indiana.

Small business owners use the loans to purchase, build and expand their facilities and purchase capital intensive machinery and equipment.

Details of the SBA 504 loan program are available from many commercial loan officers.

More information:
www.cambridgecapitalmgmt.com



Pictured above: Greg Cardinal (German American Bank) and Sandra McCleese (ISCDC)

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Indiana Statewide Certified Development Corporation

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Top Honors!

Most SBA 504 Loans Approved:

Dennis King—Wayne Bank & Trust Co.
(4 Loans)

Most Debenture Dollars:

Greg Cardinal—German American Bank
(3 Loans for \$2,280,000)

Deposit Incentive Program:

Top 5 Institutions receiving a \$100,000 deposit account for generating the greatest dollar volume of loans:

- German American Bank
- STAR Financial Bank
- First Bank Richmond
- JPMorgan Chase Bank
- Wayne Bank & Trust Co.

5 Years of Service to the Loan Committee:

Ken McCrory—DeKalb County Economic Development Partnership, Inc.

Victoria Hall—Small Business Development Center

Matt Vessely—The Huntington National Bank

Years of Service to the Board of Directors:

Steve Payne—Fifth Third Bank (5 Years)

Scott Fulford—Indy Partnership (5 years)

Bruce Burkart—1st Source Bank (10 Years)

David Millard—Barnes & Thornburg (15 Years)

David Spade—First Merchants Bank (20 Years)

Small Business Lender of the Year:

Wayne Bank & Trust Co.

Most SBA 504 Debenture Dollars and Most SBA 504 Loans Approved:

German American Bank—
(8 Approvals for \$4,300,000)

The oldest funeral home in Indiana will continue under new owners.

Timothy and David Goodwin and Chris Sievers of Goodwin Family Funeral Home in Vincennes purchased the Gardner-Brockman Funeral Home with financing from the SBA 504 loan program provided by German American Bank and the Indiana Statewide CDC.

Cabinet maker Andrew Gardner started a funeral home in 1816. The building purchased by Goodwin Funeral Home is a mansion in downtown Vincennes built around 1815. It was owned by several families, including good friends of Abraham Lincoln. The future president stayed overnight there several times. In 1915, Gardner Funeral Home -- already 99 years old -- bought the residence. The funeral service was sold to out-of-town interests in 1998.

Goodwin Family Funeral Home also has a long history and is in an large Victorian house in Vincennes. It was founded in 1944 as Flummerfelt Funeral Home. Tim and David Goodwin are sons of Jerry Goodwin who joined the Flummerfelt Funeral Home in the 1950s and eventually bought it.

Tim Goodwin says, **“In today's economy, the low fixed interest rate for the 504 loan made our decision easier.”**

Greg Cardinal of German American Bank says, **“The unique features of SBA 504 loans are perfect for small businesses. In this case, we helped a business expand to better serve Vincennes, and are returning a piece of the community's history to local owners.”**

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

Goodwin Family Funeral Home, Inc.

Vincennes

In participation with

German American Bank

Vincennes



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



Effective Interest Rate

2011	10-yr.	20-yr.
October	—	4.61
November	3.76	4.72
December	—	4.95

Check out our website at www.cambridgecapitalmgmt.com

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The 25th anniversary of Dartt Automotive Service in Evansville was special: owners Dale and Ladonna Dartt decided to expand the business.

“We decided if we were going to expand, this was the time,” says Ladonna.

Evansville Commerce Bank and Indiana Statewide CDC provided SBA 504 financing so Dartt Automotive could build and attach a new building to the existing one and remodel both.

By adding five bays to the three in the old building, Ladonna says, **“We have improved the work area and esthetics of our operation. It’s much brighter. We have new equipment and new overhead doors. The employees love it.”**

Luke Yaeger of Evansville Commerce Bank says, **“Dartt Automotive’s expansion is great for that commercial neighborhood. Other companies are making themselves more attractive and Dartt fits right in.”**

Ladonna says, **“The 504 loan was really easy. Luke was willing to help us with paper work. He took a huge burden off us.”**

Dale Dartt started working for his father’s automotive business in 1972 while in high school. Dartt Automotive has five employees, including Dale and Ladonna.

Indiana Statewide Certified Development Corporation

Permanent fixed-rate equipment financing for

Dartt Automotive Service, Inc.
Evansville

In participation with

Evansville Commerce Bank
Evansville



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Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

CrownMark Mortgage, Inc.
Fishers

In participation with

Huntington National Bank
Indianapolis



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CrownMark Mortgage’s careful approach to business is paying dividends. The company helps its clients finance their homes. And CrownMark is a mortgage broker that is surviving and expanding while several of its area competitors have ceased business.

CrownMark has even added staff -- some from former mortgage brokerages -- and recently bought, remodeled and moved into a larger building in Fishers. Huntington Bank and the Indiana Statewide CDC provided SBA 504 financing.

David Dewaelsche of CrownMark says, **“Our seven employees have more space and we have room to grow. The 504 loan gave us the opportunity to buy with less money down. That was important for us right now.”**

Derek Phillips of Huntington Bank says, **“This was the right time for CrownMark to make this move and the SBA 504 loan is the perfect vehicle to help.”**

Patients at the new Hubbard Vision Care in Kokomo enjoy one new feature in particular.

“I get really good feedback from patients about our extra large exam rooms,” says Dr. Gregory Hubbard.

Hubbard and his four-person staff moved in to Hubbard Vision Care’s new office at Markland Avenue and U.S. 31 in Kokomo. Dr. Hubbard says he extensively remodeled an old commercial building at the site to create a modern optometry practice.

Farmers Bank & Trust and the Indiana Statewide CDC utilized financing from the SBA 504 loan program to help Dr. Hubbard purchase the real estate, building and equipment for his new office.

Cary Mawbey of First Farmers Bank says, **“We were able to provide Dr. Hubbard with a long-term, fixed interest rate and ask for a smaller down payment: both features of the SBA 504 program that are not available through conventional business financing. Dr. Hubbard was able to more fully equip his practice as a result.”**

Dr. Hubbard’s office offers full vision services and treatment of eye diseases. He has practiced in Howard County since graduating from the Indiana University School of Optometry in 2007.

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

Hubbard Vision Care, LLC
Kokomo

In participation with

First Farmers Bank & Trust
Kokomo



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Chad Huff got a job making signs in high school. After graduating, Huff opened Chad's Signs and Installations. Now, a decade later, the company known as CSI Signs, Inc. is more than tripling its work space by buying and moving into a building in Noblesville.

Community Bank of Noblesville and Indiana Statewide CDC are helping Chad and Kristen Huff expand CSI Signs with a loan from the SBA 504 loan program. CSI Signs purchased a 13,000 square-foot building to replace the 3,800 square-foot building in which the business started.

"We've needed to expand for a long time," says Kristen Huff. **"We've already purchased two new machines because we now have the space to put them."** Paul Hensel of Community Bank says, **"Chad has worked hard to build his business and make it profitable. By using the SBA 504 loan, we were able to help Chad and Kristen get a building they needed without using all their capital."** CSI Signs manufactures and installs signs for store fronts, retail interiors and vehicles. A large client is HH Gregg Appliances, for whom CSI Signs designs and builds interior graphics and grand opening signs. It has ten employees and may soon add two more.

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

CSI Signs Noblesville

In participation with
Community Bank
Westfield



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Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

Michael's Floor Covering, Inc. Fort Wayne

In participation with
STAR Financial Bank
Fort Wayne



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Tim Michael started on the ground floor in the flooring business. He worked for his dad, Phil, at Michael's Floor Covering as an installer at the age of 15. In 1996 he bought the business from his father and in 2011 expanded and remodeled the showrooms and exterior of the store. Now, the company residents around Allen County have trusted since 1951 has a new, progressive appearance in a growing part of northeast Fort Wayne.

STAR Financial Bank and the Indiana Statewide CDC provided SBA 504 financing to Michael for the expansion and purchase of new equipment for his store.

Dennis Tratnyek of STAR Financial says, **"Tim is a very committed business owner, and this modernization project allows Michael's Floor Covering to present itself in the best possible way in an area of town that is growing as a commercial destination."**

Michael's Floor Covering has 7 employees and plans to add 5 more.

Rush County residents have a 90-year history of turning to the George P. Todd Funeral Home for reliability and comfort in times of sorrow. James Todd, the grandson of the founder, relocated and expanded the funeral home with an SBA 504 loan from Shelby County Bank and Indiana Statewide CDC.

The new Todd Funeral Centre & Crematory is on State Road 3 at the southern city limits of Rushville. It includes two chapels and a crematorium.

"A funeral home maintains a very strong personal connection to a community," says Todd. **"Our new funeral home offers amenities we have not had before, such as a scattering garden for cremated remains. First and foremost, we will continue our person-to-person service."**

Todd says, **"The SBA 504 program allows us to build a better facility with very good terms, and the professional staffs are great at the bank and the Indiana Statewide CDC."**

Greg Lanter of Shelby County Bank says, **"The Todd Funeral Home is well known in Rush County and in adjacent counties as well. We are pleased to help it expand."**

Todd's family continues to live in the 130-year-old downtown Rushville residence that formerly housed the mortuary.

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

Todd Funeral Home Rushville

In participation with
Shelby County Bank
Shelbyville



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Indiana Statewide Certified Development Corporation

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Greg and Sheila Parks have a deep personal connection with families in the Shelbyville area as owners of Murphy Parks Funeral Home. The funeral home dates back to 1935 and the Parks' purchased it in 1995. Sheila was the first female licensed as a funeral director in Shelby County.

Seeking to expand the services they could offer their clients, the Parks' purchased land for a new cemetery and crematory on the south side of Shelbyville with SBA 504 financing from Shelby County Bank and Indiana Statewide CDC. They named it Whispering Hope Memorial Garden & Crematory.

Shelby County Bank's Larry Lux says, **"We told Greg and Shiela that the SBA 504 loan allows them to buy the land for their business on reasonable terms, with enough money left over to take care of their other business needs. They are very happy with it."**

Greg Parks says, **"The SBA 504 loan was very good for us. We are proud of Whispering Hope and how we can further honor people who mean so much to their families and our community."**

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

Whispering Hope Memorial Garden & Crematory

Shelbyville

In participation with

Shelby County Bank

Shelbyville



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Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

Rally's

Indianapolis

In participation with

First Bank Richmond

Richmond



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Cambridge Capital Management Corp.

Tim Amick was experienced in business, but it was the landscaping business, not drive-through restaurants. But in an example of entrepreneurial diversification, Amick opened a Rally's restaurant on Southport Road in Indianapolis. He reports a brisk business in the first few months. **"We are happy with how we are being received,"** Amick says.

Amick purchased an outlot from Meijer that was perfect for a Rally's. First Bank of Richmond and the Indiana Statewide CDC provided an SBA 504 loan for Amick to buy the land, build the building and purchase the equipment.

Carr says, **"It was good for the customer and good for the bank because Tim wanted to be able to get into the project with good terms and to spend less money going in. It is logical for the bank and for the borrower."**

Carr has handled SBA 504 loans for two Rally's Restaurants in Richmond.

Amick says, **"The 504 loan was everything we needed it to be and it turned out to be a smooth process."**

Dennis Chattin added another job description to his resume of professional and volunteer activities recently when he purchased All-American Car Wash in Vincennes. The lifelong Knox County resident obtained SBA 504 financing from German American Bank and the Indiana Statewide CDC to buy the land, building and equipment for the car wash.

All-American Car Wash is located a few blocks from Vincennes University, where Chattin coaches the men's golf team. And it's also an easy drive from Chattin's full-time job -- and the one in which he's built loyalties for many years -- as an agent for Indiana Farm Bureau Insurance.

Chattin says his car wash includes: four bays for self-service washing; a tunnel car wash where drivers stay in their car as it is pulled through and washed, rinsed and dried; and a quick lube station.

Greg Cardinal of German American Bank says, **"I use the SBA 504 Loan Program as a valuable tool to help my clients with long-term financing. It is a win-win-win for the client, the bank and the Indiana Statewide CDC. In this situation with the Chattins, German American was able to help keep ownership of a business with a local family."**

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage & equipment financing for

All American Car Wash

Vincennes

In participation with

German American Bank

Vincennes



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Indiana Statewide Certified Development Corporation

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Dr. Eric Herman moved from leased space to a larger, modern dental office that he built with assistance from the SBA 504 loan program. German American Bank and the Indiana Statewide CDC provided financing to Dr. Herman for the purchase of real estate and construction of his new clinic.

“We are excited about our new office,” says Dr. Herman. “We are able to provide more care to more people.” The features of the 504 program made a difference. “We had to put down only 10 percent on our loan, and were able to save more money to put directly into the business.”

Joel Smith of German American Bank says, **“Dr. Herman has a very modern dental clinic. It’s something the community has been waiting for. German American Bank was happy to work with the Indiana Statewide CDC to get the SBA 504 financing.”**

Dr. Herman practices dentistry with his sister, Lynn Steine, DDS. They employ six people and the practice is about eight years old.

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

Herman Family Dental, LLC Vincennes

In participation with
German American Bank
Vincennes



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Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage & equipment financing for

Rally’s Richmond

In participation with
First Bank Richmond
Richmond



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Rally’s was so popular when it opened near I-70 in Richmond that owner Leonard Ranieri quickly opened a second Rally’s on National Road East. Teaming up with Rally’s seemed natural: Rally’s dispenses its popular hamburgers, fries and shakes at 800 drive-through restaurants in the U.S., but had none in Richmond.

First Bank, Richmond and the Indiana Statewide CDC helped Ranieri with both locations by providing SBA 504 financing for purchasing land and equipment and constructing the building.

Each location has about 25 employees.

“You can’t beat the low down payment and low fixed interest rate,” says Ranieri.

Laurie Carr of First Bank says, **“The Statewide CDC is great to work with. We went to them to put together the best deal possible for Mr. Ranieri and First Bank. Both restaurants are in high-traffic locations and both are very popular.”**

Ranieri started his restaurant career as executive chef at Richmond’ Forest Hills Country Club and owns a Buffalo Wild Wings restaurant in Richmond. He also scouts new Indiana locations for the chain.

The Big Ugly Burger is a handful. So is managing and running a business. Matt & Rachel Frey created Bub’s Burgers and Ice Cream in Carmel in 2003. And in 2011, they decided to build equity instead of pay rent, so they purchased the building with assistance from SBA 504 financing. First Merchants Bank and the Indiana Statewide CDC provided the loan.

The home of the Big Ugly Burger is now in the hands of its owners, right on the Monon Trail in downtown Carmel, Matt’s home town.

Josh McKenney of First Merchants says, **“It was a strategic move for Matt and Rachel to secure their long-term future there. The SBA 504 loan worked out really well.”**

Matt Frey says, **“We’ve been pleased with the way Bub’s has become popular in Carmel and Bloomington. And we are very happy to own our original location.”**

The Freys also used SBA 504 financing for the Bloomington location. About 50 people are employed at each restaurant.

The Big Ugly Burger is not the only item on Bub’s menu. But it is the only sandwich in central Indiana that earns the consumer a mention on Bub’s Wall of Fame if they finish it in one sitting.

Indiana Statewide Certified Development Corporation

Permanent fixed-rate second mortgage financing for

Bub’s Burgers & Ice Cream Carmel

In participation with
First Merchants Bank
Indianapolis



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Cambridge Capital Management Corp.



Silver Anniversary for Credit Corp.



More than 133 Indiana companies are contributing to the Indiana economy with the help of financing from the Indiana Community Business Credit Corporation.

The Credit Corp. was established in 1986 following legislation passed by the Indiana General Assembly allowing banks to expand outside their county of origin. To obtain that permission, banks pledged to create an entity to help bridge the gap between traditional bank financing and venture capital. The Credit Corp's pool of mezzanine funding -- gathered from 33

member banks -- fulfills that pledge.

In 25 years, the Credit Corp. has provided more than \$55 million to 133 companies as part of total funding exceeding \$266 million.

In every case -- from restaurants to scientific facilities -- those projects would not have been completed "but for" the funding of the Indiana Community Business Credit Corp. And the funding continues every day.

New Funding

Scott Wise brewed a recipe for success with his Scotty's Brew-houses in Indianapolis, Bloomington, West Lafayette and other locations. They provide well-prepared pub fare and beers on tap.

Expanding his brand and his operation, Scotty's opened Three Wise Men brewpub (the sign says "Thr3e Wise men") in Broad Ripple, Indianapolis' arts and entertainment neighborhood, a district that closely resembles a campus atmosphere. The hook: the Three Wise Men brews its own beer for consumption on site and to sell at other Scotty's locations. Its commissary also produces main dishes and pies for the other restaurants.

The Indiana Community Business Credit Corp. and Huntington Bank provided growth capital from the Credit Corp. pool of mezzanine financing to Wise for his new venture. Wise has also used SBA 504 funding from the Indiana Statewide CDC for some of his earlier establishments.

"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 Three 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."**

Indiana Community Business Credit Corp.

Growth Capital for

Thr3e Wise Men Indianapolis

In participation with

The Huntington National Bank Indianapolis



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Cambridge Ventures, L.P.

Fourth Quarter 2011



Small and large businesses around the world use BigTime Software's cloud-based productivity tools to manage all crucial aspects of their operations: time, materials and money.

BigTime's flagship product, also called BigTime, was released in 2003 by founder Brian Saunders as a complete back office operation for professional service firms. The product quickly gained a foothold in IT services and engineering firms. Further development and marketing of BigTime now places it in dozens of industries including marketing, public relations, advertising, design, architecture, engineering, accounting and law. In December, BigTime announced an OEM licensing agreement with Intuit, Inc., to embed BigTime's core management functions into a product that targets accounting professionals.

Customers who use BigTime fuel the company's growth with favorable descriptions such as "user-friendly" and "excellent customer service."

Cambridge Ventures, L.P. invested in BigTime in 2011 to help fund the continued growth of the firm.

"BigTime is reaching markets around the world from a Midwestern location," says Bob O'Brien, of Cambridge Ventures. **"BigTime's potential and Cambridge Ventures plans for growth dovetail nicely."**

Cambridge Ventures, Inc.

Growth Capital for

Big Time Software, Inc.

Indianapolis



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

Cambridge Ventures, Inc.

Growth Capital for

Diagnostic ID, LLC

Indianapolis



CVLP managed by:
**Cambridge Capital
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There is no room for error in patient laboratory results, so many physicians and laboratories seek out Diagnostic ID for its Know Error biopsy identification system.

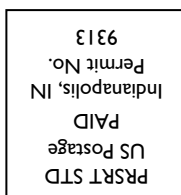
Cambridge Ventures L.P. invested in Diagnostic ID in 2009 to help support the company's launch. Know Error has gained a 5 percent market share in the prostate biopsy analysis. In early 2011, Know Error was introduced to breast biopsy laboratories and CVLP placed a second investment with the firm.

Jean Wojtowicz of CVLP says, **"The Know Error bar coding biopsy identification system is revolutionary. Cambridge Ventures has always looked for companies that lead the way, and Diagnostic ID fits that description in every way."**

Know Error's specimen security is based on bar coding of patients' biopsy collection kits with a mechanism for third party verification to ensure a positive forensic DNA match. The results include accurate treatment to the correct patients.



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