

FIFTY-FORTY-TEN NEWS

A Newsletter of the Greater Syracuse Business Development Corporation

FINANCING GROWING BUSINESSES SINCE 1964

ISSUE NO. 32

SECOND QUARTER 2012

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GSBDC Finances Purchase and Renovation of Hair Salon Facility

Miracles Hair Studio, Inc. (MHS) recently purchased, renovated and outfitted their new 7,100 sq. ft. salon at 200 Brooklea Drive in Fayetteville, NY with the support of Alliance Bank and Greater Syracuse Business Development Corporation (GSBDC). The new location is approximately ½ mile from their former space at 511 East Genesee Street, providing an easy transition for clients and staff.

The new facility increased their space by almost 3,500 sq. ft. and has allowed them to expand their existing services and add several areas for the delivery of new services. New services include laser aesthetic treatments, massage therapy and full body/spa treatments. Expanded areas include the cutting room with 20 stations, and the color bar which accommodates 16 clients at a time. There are four pedicure stations, three manicure stations, two massage treatment rooms including a couple's massage area, two facial rooms, a laser room, a room for specialty makeup and hair services, a complete children's salon, and a facial waxing room that can accommodate up to three clients.

According to Kendalia & Eric Edelman, "The response to the move has been overwhelmingly positive and beyond our expectations for the expansion of the business. With the help of GSBDC, Alliance Bank, Pyramid Realty, Artesion Construction, James Hagan Architects, and Hadley's Landscaping, we have turned a less desirable property into a showplace in the heart of Fayetteville."

MHS was formed in 2004 and is owned 50% each by Kendalia and Eric Edelman (husband & wife). The salon is open seven days a week.

Greater Syracuse Business Development Corp. (GSBDC) provided a 20 year fixed-rate second mortgage for 40% of the project cost to purchase and renovate the building and equip the expanded facility while Alliance Bank provided 50% of the project financing in a first mortgage position. According to Bob Markowski, Vice President of Alliance Bank, "In utilizing GSBDC and the SBA 504 program, we were able to put together a loan package that allowed the Edelmanns to purchase and renovate a local property that was near their previous location. If not for the 504 program, it would have been extremely difficult to put the deal together."

Miracles currently employ 26, creating six new jobs in the past five months. The new positions include a laser expert, a receptionist, two additional hair dressers, and two massage therapists.



Interest Rates

Loans funded as of June 13, 2012 would have carried the following rate:

SBA 504
4.5% (20 yrs.)

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Veronika Kroos Elected to Board of Trustees



Veronika Kroos

Veronika Kroos, Vice President of JPMorgan Chase Bank was recently elected to the Board of Trustees of the Greater Syracuse Business Development Corporation (GSBDC). The primary mission of GSBDC is to assist businesses seeking non-conventional sources of financing. Offering a variety of funding programs targeted to business start-ups, attraction and retention projects, GSBDC is the premier economic development financing organization in Central New York.

Veronika Kroos has been employed at JPMorgan since 1987 and prior to that worked for First National Bank of Rochester as a Branch Manager and Assistant Vice President. She has had an extensive banking career, working with middle market and small business clients, as well as municipalities in Syracuse and government funded not-for-profits in New York City. She currently manages a portfolio of small business clients in the Greater Syracuse region assisting them with their credit and cash management needs.

Ms. Kroos has a Master of Business Administration degree from the Simon School at the University of Rochester in Rochester, New York and a Bachelor of Arts from the Earlham College in Richmond, Indiana.

GSBDC Assists with Construction of New Facility

In June of 2010, the father and son dental practice of Zdep D.D.S. & Zdep D.D.S., P.C. purchased an undeveloped site at 3930-3940 East Genesee Street, Syracuse, NY to build their new office facility. Located approximately four miles from their former offices at One Lincoln Center in Downtown Syracuse, this has been an easy transition for their patients and staff. The 2,890 sq. ft. facility is situated in a park like setting with eight treatment rooms, private office space for the three dentists and a spacious reception area for patients. In addition, the full basement provides space for utilities, storage of patient records and a break room for the staff.

The practice offers preventative and family dental care, cosmetic dentistry and adult reconstructive services. They also provide dental appliances for the treatment of migraines and snoring prevention. According to Dr. Steven F. Zdep "Moving to a new office in the DeWitt area has provided an opportunity to serve the community and for growth beyond our expectations. Our tradition of service and compassionate caring for our patients is complemented by the pleasant surroundings of a new, state of the art facility. We are looking forward to continued growth and welcome new families. Visit us at MySyracuseDentist.com."

The project financing was structured using the SBA 504 program keeping their down payment requirement to 10%. Alliance Bank provided 50% in a first mortgage position with the Greater Syracuse Business Development Corporation (GSBDC) providing a 20 year fixed-rate second mortgage for 40% of the project cost. According to John Popkess, Assistant Vice-President of Commercial Banking, "Alliance Bank appreciates the support of GSBDC in putting together a competitive financing package for our customer. The favorable terms of the SBA 504 loan helped ensure that this local dental practice continues to grow and provide an excellent level of care to its patients."

The dental practice currently employs 14 with plans to create six new jobs over the next two to three years. The additional positions will be related to support staff for the dentists and will include hygienists and insurance/billing positions.