

NEW HAMPSHIRE BUSINESS FINANCE AUTHORITY

BUSINESS ENERGY CONSERVATION RLF

Quarterly Report for the Period Ending 12/31/11

1. The NHBFA closed no new loans this quarter. Instead, we focused on closing/completing our active projects – Ragged Mountain and Warwick Mills.
2. The \$600,000 Ragged Mountain Resort Management improvements were completed in time for the ski season. Ragged was one of the least energy efficient ski areas in the Northeast. The project involved compressor and pump upgrades, as well as the installation of low-energy snowmaking guns. The improvements will not only reduce Ragged Mountain’s energy use and cost but will improve the ski area’s snowmaking capacity – something it really needs this year!
3. The \$550,000 Warwick Mills project has been delayed since last spring by state and local permitting processes. The project has received state air and shoreline impact permits and has been going through the local planning process. The planning board is scheduled to provide final approval this week. All loan closing documents have already been prepared so our loan will close shortly thereafter. The improvements will be completed this spring.
4. A Revolving Loan Fund status report is attached. To date, we have committed \$3,910,000 in total and have loaned \$3,016,112 to five companies. We have an additional \$639,538 in outstanding loan commitments to two companies, Warwick Mills and Ragged Mountain (retainage). With our recent requisition, we have adequate funds to meet our current outstanding obligations.
5. Miscellaneous
 - Foss Manufacturing has a loan covenant violation with a lender that has prohibited the company from paying our loan since June. Foss is recapitalizing the company to support an expansion in sales and will be paying off the lender this quarter, thereby allowing the company to resume BFA payments. Employment at Foss as of December 31 was 344, up from the initial 306, and is expected to increase by 25 to 50 persons this year as the company expends production.

- Shelburne Plastics completed the consolidation of its operations at 27 Industrial Drive, Londonderry, in December so we should be able to start measuring the savings.
6. Grant Update – In 2001, we committed \$1,900,000 to 3 projects, signed loan agreements for \$1,350,000, and expended \$1,260,462 on these projects. This is slightly behind schedule, but we will catch up this quarter once Warwick Mills is underway.

Once we receive approval for the \$675,000 Phase Two of the grant, we will move quickly to commit the remaining funds. Projects currently in process include K.W. Thompson Tool Company (foundry), Quality Castings, Isaacson Structural Steel, Gorham Paper and Tissue, and the Balsams. We anticipate making commitments to 2 of these projects this spring and completing the improvements by year-end.

LEVERAGE

Project	Total Cost	GHGERF	Owner	Core PSNH	Other
Shelburne Plastics	\$ 1,457,810	\$ 750,000	\$ 560,586	\$ 147,224	
Warwick Mills	\$ 965,000	\$ 550,000	\$ 186,000	\$ -	\$ 235,000 CDBG
Ragged Mountain	\$ 873,900	\$ 600,000	\$ 183,900	\$ 90,000	

NH Business Finance Authority
GGERF Revolving Loan Fund
as of December 31, 2011

Funding Received to Date:
2008 Grant
2010 Grant

	\$ 2,000,000.00											
	\$ 1,325,000.00											
	\$ 3,325,000.00											
		September 30	December 31	Repaid	Loaned							
		Outstanding	Outstanding	Quarter	Quarter							
Loans:												
1 Foss Manufacturing	750,000	\$ 584,900	\$ 584,900	\$ -	\$ 61,000							
2 Vitex	510,000	\$ 68,203	\$ 61,867	\$ 6,336	\$ 29,700							
3 Canam Steel	750,000	\$ 704,114	\$ 688,492	\$ 15,622	\$ 943,671							
4 Shelburne Plastics	750,000	\$ 735,153	\$ 712,637	\$ 22,516	\$ 707,810							
5 Ragged Mountain	600,000	\$ 79,751	\$ 510,462	\$ -	\$ 273,900							
6 Warwick Mills	550,000	\$ -	\$ -	\$ 44,474	\$ 415,000							
	3,910,000	\$ 2,172,121	\$ 2,558,358	\$ 44,474	\$ 2,431,081							

Grant Received to Date: \$ 3,325,000.00
Outstanding Loans \$ 2,558,358
Cash on Hand \$ 766,642.00
Outstanding Commitments \$ 639,538
Net Cash \$ 127,104

Total Loan Commitments/Quarte \$ -
Total Repaid/Quarter \$ 44,474
Total Loaned/Quarter \$ 430,711