

TEXAS



TEXAS PANHANDLE REGIONAL
DEVELOPMENT CORPORATION

2015 ANNUAL REPORT

LETTER FROM THE DIRECTOR

Created in 1982, the Texas Panhandle Regional Development Corporation (TPRDC) serves the businesses in the state of Texas by providing access to affordable financing. For more than 32 years, TPRDC's mission has been to serve the business community in the Texas Panhandle and across the state by encouraging small business owners to take advantage of the lending programs created by the U.S. Small Business Administration.

Small businesses and banks nationwide can attest to the fact that the SBA 504 Loan Program has many noteworthy benefits. Since 1980, the 504 Loan Program has proven to be a powerful economic development loan program offering small businesses another avenue for business financing, while promoting business growth and job creation. The success of the program is accomplished through the partnerships developed between a certified development company (CDC) such as TPRDC, a lender, and the borrower. This structure of financing allows the borrower to inject as little as 10% into the project, while the rest is financed.

The 504 Program continues to evolve so as to better provide TPRDC and its lending partners enhanced tools to serve clients and make the program even more accessible. We believe these changes will continue to allow us to serve a small but critical role in the success of our local small business community by providing loans to businesses across Texas and the Panhandle region.

We proudly serve the businesses of the Texas Panhandle and appreciate the opportunity to work in this region. We are pleased to share with you our annual report highlighting the success stories from 2015.



Doug Nelson, Administrative Director

“Since 1982, the TPRDC has assisted in securing over \$323 million in project financing for small business owners.”



HIGHLIGHTS

Over the past 32 years, the Texas Panhandle Regional Development Corporation has provided 220 loans using the SBA 504 financing program. These loans represent over \$323 million dollars in project financing with small business owners. TPRDC's primary objective providing 504 loans is to expand the local economy and assist businesses in the creation and/or retention of jobs. To date, TPRDC has partnered with small businesses in the Panhandle and throughout Texas in the creation and/or retention of 2,681 jobs through the 504 program.

In fiscal year 2015, TPRDC successfully assisted 6 loans through to approval by the SBA with total project costs exceeding \$21.8 million dollars and creating and/or retaining an estimated 46 jobs. Of the total approved loan amount, over \$7 million dollars originated from SBA funding. TPRDC also funded 6 loans in fiscal year 2015 with total project costs of more than \$6.3 million dollars for a total of over \$2.2 million dollars in SBA funding.

The City of Amarillo contracts with TPRDC to manage the Community Development Micro-Loan Program. The program targets low to moderate income individuals residing within the city limits seeking access to capital for their small business. This Micro-Loan program is capitalized with Community Development Block Grant funds granted to the City of Amarillo. Since inception, TPRDC has issued more than \$143,000 in loans directly from the City of Amarillo Community Development Micro-Loan funds.

TPRDC financing has allowed these businesses to begin operations or expand into larger facilities, and this report highlights a few of these.

Business Loan



TPRDC's goal is to assist, promote, and advance the business prosperity and economic welfare of the State of Texas. Through the cooperative efforts of our lending partners, TPRDC is able to provide loans to small businesses including new, early stage, and established businesses with the goal of expanding and creating jobs.

Gowdy Flooring



Locally owned and operated since 1997, Gowdy Flooring is one of the largest flooring service centers in Amarillo and the Texas Panhandle. The business has had several locations in the city of Amarillo and has upgraded into larger showrooms over the years as business continued to expand.

D'Ray Peebles has extensive experience in the flooring industry, starting with his time working in sales and marketing for a local flooring company. He later started a commercial cleaning company, which he continues to operate to this day. As his familiarity with the industry grew over time, Peebles capitalized on the opportunity to purchase the already successful Gowdy Flooring in 2011 and build upon the client base he was serving with his other business lines.

In the summer of 2014, Mr. Peebles saw an opportunity to construct a new facility for Gowdy Flooring to expand operations and sales. Mr. Peebles sought assistance from the SBA 504 program and Happy State Bank to finance the construction.

SBA 504 Financing

Name:
Gowdy Flooring

Owner:
D'Ray Peebles

Location:
Amarillo, TX

Jobs Retained and Created:
7

Lending Partner:
Happy State Bank



Austin's Pub



Austin's Pub is a locally owned Amarillo bar and entertainment venue with a long history in Amarillo. It offers its guests a unique atmosphere, with live music and affordable drinks. Located on Historic Route 66, Austin's Pub re-opened in October of 2014 after being closed for 3 years.

Jesus Yap is an entrepreneur with a background in construction and remodeling. In 2012, after years of learning about the industry, he started his own construction business. His entrepreneurial spirit allowed him to seize the opportunity to purchase Austin's Pub.

In the summer of 2014, Mr. Yap approached the owner of the pub about purchasing the establishment, which had been closed for several years. Intending to re-open under the same name, Mr. Yap believed he could bring new life and energy to the business. Mr. Yap sought assistance from the 504 Program as well as a loan from Interstate Bank to finance the purchase of the business.

With this new venture, Mr. Yap anticipates creating 5 full-time job equivalents over the next two years.

SBA 504 Financing

Name:
Austin's Pub

Owner:
Jesus Yap

Location:
Amarillo, TX

Jobs Retained and Created:
5

Lending Partner:
Interstate Bank





Russell Glaze is a State Farm agent in the Amarillo area. Since opening his doors in 2007, Mr. Glaze has achieved national rankings among State Farm agents. His reputation and expertise allowed Glaze to successfully cultivate a substantial client base during his career.

After graduating with a degree in Business from Wayland Baptist University, Mr. Glaze began his career working in the oil and gas industry. However, in 2005, he pursued a more entrepreneurial position and eventually sought to establish his own business as an agent with State Farm Insurance.

After several years working out of a smaller location, Mr. Glaze realized that the enormous growth in operations called for relocating the business to a new, larger location. In conjunction with a loan from First United Bank, Glaze approached TPRDC to obtain financing through the SBA 504 program to construct an office in a new commercial development in the rapidly growing southwest part of Amarillo.

As a by-product of his loan with TPRDC and his larger office space, Mr. Glaze intends to create three new full-time jobs.

SBA 504 Financing

Name:
State Farm Insurance

Owner:
Russell Glaze

Location:
Amarillo, TX

Jobs Retained and Created:
3

Lending Partner:
First United Bank



Chicken Express



Chicken Express is a national fast food chain with over 200 locations in five states in the southwest United States. Founded in Texas in 1988, Chicken Express operates in Texas, Oklahoma, Arkansas, Louisiana and Georgia.

Husband and wife team Andy and Roxanne Carter have decades of combined sales experience between them. Andy Carter has worked in sales since 1984. In 2004, Mr. and Mrs. Carter opened a Chicken Express franchise in Amarillo. Within a few years, the Carters utilized a SBA 504 loan and opened a second Chicken Express franchise in Canyon, Texas.

After seeing much success in both of their restaurants, the Carters capitalized on another opportunity to open a third restaurant in an growing area of Amarillo. Mr. and Mrs. Carter structured a project with a loan from Happy State Bank and SBA 504 funding for the construction of the restaurant, along with the purchase of equipment and furniture.

The Chicken Express on Tascosa Road opened in September of 2014. The Carters anticipate this location creating twelve new, full-time jobs.

SBA 504 Financing

Name:
Chicken Express

Owner:
Andy & Roxanne Carter

Location:
Amarillo, TX

Jobs Retained and Created:
12

Lending Partner:
Happy State Bank



Nick's Fight Club



Owned and operated by Stephen Nicholson, Nick's Fight Club was founded in 2006 to motivate, encourage, and inspire everyone from professional athletes to those who have never set foot in a gym. Whether it be stress, diabetes, obesity, or simply the desire to stay fit, Nick's Fight Club offers an upbeat and positive environment to help push its members toward a healthier lifestyle.

Mr. Nicholson is a former amateur boxer with more than ten years of experience and holds USA Boxing Certification as a coach, official, and referee. Confident in his thirty years of management experience, Mr. Nicholson began his gym in his home but quickly outgrew it. In 2006, training relocated into a 2,400 square foot facility. Within a few years, membership exceeded several hundred clients and continued to grow.

Utilizing a loan from Happy State Bank and SBA 504 funding to finance the construction, Mr. Nicholson was able to construct an 11,400 square foot facility that better suited the club's needs. Nick's Fight Club opened the doors to the new facility in the first quarter of 2015 and currently serves over 2,500 members and anticipates creating five additional full-time equivalent positions.

SBA 504 Financing

Name:

Nick's Fight Club

Owner:

Stephen Nicholson

Location:

Amarillo, TX

Jobs Retained and Created:

5

Lending Partner:

Happy State Bank





The Sleep Inn at 2401 I-40 East is a mid-scale property with 55 rooms. Built in 1996, the hotel offers guests a convenient location close to Rick Husband International Airport and other area attractions.

Owners Deepak and Smita Patel have extensive experience in the hotel industry. Mr. and Mrs. Patel have managed, owned and operated several hotel venues dating back two decades and are very familiar with all aspects of hotel operations. Additionally, the Patels also own and operate the Heritage Inn, located in Borger, Texas, which they purchased from its previous owner in September of 2011.

Deepak and Smita Patel sought to purchase a hotel in the larger Amarillo market, and so, in the winter of 2014, sought funding through the 504 Program and Herring Bank to finance the purchase of the Sleep Inn. Although the hotel was built in 1996, it was in good condition due to a 2012 remodel. Nonetheless, in order to exceed the expectations of their guests, Mr. and Mrs. Patel used the loan proceeds to fund further renovations to the property and purchase new equipment and furniture for the hotel.

SBA 504 Financing

Name:
Sleep Inn

Owner:
Deepak & Smita Patel

Location:
Amarillo, TX

Jobs Retained and Created:
0

Lending Partner:
Herring Bank



TPRDC Board of Directors

Terry Dickerson

Herring Bank
President

Kristen Moudy

Wheeler EDC
Vice President

Kenneth Burgess

FirstCapital Bank of Texas
Secretary

Sheryl Hardy

Perryton CDC
Treasurer

Braden Black

The Skilled Trades Company

Michael Kitten

Hereford EDC

Rob Mansfield

Amarillo National Bank

Stuart Sutton

First United Bank

Brock Thompson

TRU Trading

TPRDC Membership

Chris Alexander - Friona

Braden Black - Amarillo

Kenneth Burgess - Amarillo

Tim Cox - Amarillo

Terry Dickerson - Amarillo

Chandra Eggemeyer - Clarendon

Sheryl Hardy - Perryton

Jason Harrison - Amarillo

Brian Hughs - Canadian

Michael Kitten - Hereford

Rob Mansfield - Amarillo

Will Miller - Amarillo

Kristen Moudy - Wheeler

Rick Palmer - Amarillo

Mike Running - Dumas

Roberta Sewell - Borger

Stuart Sutton - Canyon

Brock Thompson - Amarillo

STAFF AND CONTACT INFORMATION



Doug Nelson

Administrative Director
doug@tprdc.com



Andy Arias

Loan Officer
andy@tprdc.com



**TEXAS PANHANDLE REGIONAL
DEVELOPMENT CORPORATION**

801 S. FILLMORE, SUITE 205 • AMARILLO, TX 79101
PHONE: (806) 331-6172 • FAX: (806) 371-0112
WWW.TPRDC.COM