



# Annual Report

FY 2022



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# LETTER FROM OUR CEO




**CHRIS LEVY**  
President & CEO  
Pursuit

Our company has undertaken several changes over the past few years. Most notably, NYBDC, The 504 Company, and Excelsior Growth Fund rebranded in February 2020 under one name – Pursuit. We are committed to possibilities and lending power to potential. Pursuit’s vision is to create a more inclusive economy by ensuring every business owner has a path to success.

We also saw a leadership transition as Pat MacKrell retired as President and CEO in September 2022 after almost two decades of leading the organization. I am excited to continue the successes we have had since our founding in 1955. We will continue to empower businesses in all communities by providing access to responsible capital and resources.

We codified our core values this year – strengthening communities through collaboration, leading with transparency and authenticity, celebrating diversity and embracing our differences, and engaging on a personal level. These values exemplify Pursuit’s mission and vision and are what our employees strive to achieve every day.

Pursuit has grown and now has 150 employees. We are active in four states – New York, New Jersey, Pennsylvania, and Connecticut. We have over fifteen loan programs available to small businesses of all sizes, including startups and early-stage businesses. Pursuit is assisting in creating hundreds of jobs, empowering entrepreneurs, and improving local communities. We are committed to providing access to creative and flexible financing solutions.

I look forward to leading this great organization as we continue to find innovative solutions for small business owners.

## Lucky's Cocktail Lounge: An SBA 7(a) Loan and a Dream Business in Bed-Stuy

Nickquae “Lucky” Williams has been planning her dream business before she was even out of high school. Today, Lucky’s Cocktail Lounge is a staple of Brooklyn’s Bed-Stuy neighborhood, serving up tapas and cocktails every day of the week.

When she moved from Pittsburgh to New York City, Lucky started working multiple jobs in restaurants and hospitality to learn the ins and outs of the industry. “I wanted to learn every facet so that when I opened my business, I’d operate from a place of experience and empathy,” she explains.

As she honed her restaurant knowledge, Lucky scoured New York to find the right location and was approved for an equity loan of \$70,000 on a property she owned in Pittsburgh. She worked with designer/contractor Yuko Kawaga who gave her greater insight and solid budget figures for the buildout of the project.

“I realized that I needed a lot more for the space, about \$250,000 in total,” says Lucky. “With a typical commercial loan, that would mean I’d need more than \$80,000 just to be considered, because those loans require 30% owner equity.”

A representative at a commercial bank mentioned Pursuit to Lucky and she learned about the SBA 7(a) loan program.



**Nickquae “Lucky” Williams**  
Lucky’s Cocktail Lounge

With its versatility and 10% owner equity requirement, it was the perfect match for her business needs.

“This meant that I could put \$25,000 in to meet my owner’s equity requirement, rather than spending the full \$70,000. That’s given me breathing room,” she says. Lucky’s deal was fully funded, and today, she’s the proud owner of her dream establishment.

“This isn’t a fairy tale. I worked so hard to get all the pieces in place, but I know that the odds of getting funding to open a bar and restaurant are against entrepreneurs to begin with, and to be honest, especially for a young, Black woman,” she says. “But I never felt that way with Pursuit, I never felt like my dream was out of reach. It meant everything to know that Pursuit believed in me and my vision and understood that I’m a worthwhile investment.”



## Pursuit Expands into Connecticut through Small Business Boost Program

Pursuit added another state to its lending footprint this year with an expansion into Connecticut through the CT Small Business Boost Fund program.

The program gives Pursuit a competitive advantage in a new marketplace by offering business loans up to \$500,000 at just 4.5% over 5 to 6 years. To date, Pursuit has funded more than 70 loans in CT, making us the second largest lender by units in the program overall.

As Pursuit entered the new market, it gave us an opportunity to expand our team as well with Anthony Booth, Jr. and Anna Sinatro joining the team from Connecticut.

The program has helped a variety of businesses gain access to affordable funding, including Pursuit client Tori Brown, owner of Breakfast Belle. What started as a restaurant and catering business pivoted into culinary e-commerce business during the pandemic. And the move paid off big time.

Tori began selling her Breakfast Belle Hot Sauce and Bamma Fish Fry coating mix online and caught the attention of influencers like Tabitha Brown.

“Revenue for product sales increased by 800% between 2020 and 2021 and we’re still experiencing strong growth,” says Tori.



**Tori Brown**  
Breakfast Belle

Photographer:  
Keith Claytor, TimeFrozen Photography

As she set her sights on expansion into grocery stores and specialty shops, Tori knew she needed a copacker to scale her production as well as more staff to handle the volume.

She learned about Pursuit and the CT Boost program from Christine Sullivan at reSET, a technical assistance organization, and applied for a loan.

“Working with Pursuit has been a terrific experience – the application was straightforward. Getting approved with great terms is now my reality,” says Tori. “And because of the program, I’ll have access to experts who can help me learn more about financial management, marketing, and more.”

We look forward to continuing our expansion in CT and working with even more small business owners to reach higher and grow.

## Reina Tire: The Benefits of Small Business Funding with an SBA Microloan

“If you own a small business, and especially if, like me, you have a mindset that you have to bootstrap to be successful, my advice is to get out there and meet with lenders,” says Sergio Reina, the owner of Reina Tire, which operates as Eagle Tire in New Jersey. “There are great small business loans available and if I’d known how much this would help, I’d have applied years ago.”

Sergio’s business opened nearly two decades ago and up until recently, he had only used the business’s revenue and his personal savings to make it work.

“I come from a culture that’s debt averse,” Sergio admits. “But eventually, you realize that you can’t stay competitive or grow if you don’t have some liquidity.”

When Hurricane Sandy struck in 2012, it nearly put him out of business. Even still, he didn’t apply for funding to help him through it.

Sergio pulled his family in to help with cleanup, and re-opened the business just two days after the storm. He explains, “No one had electricity or water, but we had mechanical compressors, so we could do some services that were in huge demand after the hurricane.”

As Sergio looked toward the future, he knew he needed capital to reach his goals.

“I also came to realize that although I’d



**Sergio Reina and his family**  
Reina Tire Service

been in business for 16 years, I had very little credit to show for it,” he explains. “I have plans for growth and without a strong credit history and good lender relationships, it would be hard to make my plans a reality. So, that became a motivation, too.”

He was referred to Pursuit and soon applied for an SBA Microloan. He was approved quickly, with funds in-hand in Fall 2022.

“My loan officer at Pursuit, Orlando Callegari, is very effective,” he says. “He helped me with the process, which was pretty straightforward. I got great terms and plan to pay the loan off ahead of time, too.”

Having this funding has also helped to ease some of the inflationary pressures that have impacted Sergio’s business. And as a recipient of an SBA Microloan, he’s eligible for expert assistance in areas like marketing and financial management, which will help him further strengthen his business.

## Black Horse Stables Grows with an SBA 504 Loan

“Never give up on your business dream because you think you can’t afford to make it a reality,” says Amanda Enwright. She’s the founder and owner of Black Horse Stables, a group of three facilities where Amanda and her team provide care and expert coaching to horses and their riders.

Amanda began riding lessons when she was five years old and by seven, she got her first horse. “I promised that pony that I’d be there to take care of him for life,” she says. She kept her promise when she bought land and built an eight-stall retirement farm where she kept her beloved pony, along with other retired horses, until he passed away.

With Amanda’s reputation as a coach, caregiver and facility manager, her first two stables were quickly filled to capacity. She then leased a larger facility with 77 horses and a staff that included trainers and stable hands.

Keeping an eye out for the next property, one where she could achieve her vision of owning a state-of-the-art stable and competition facility, Amanda found her opportunity when a neighboring farm was listed for sale. Purchasing and renovating the farm – now known as Black Horse Stables Furlong – was a leap, with a projected cost of \$1.2 million. Undeterred, she met with her KeyBank team, who introduced her to the SBA 504 loan option.



**Amanda Enwright**  
Black Horse Stables

“There was a lot of documentation, but it always seemed reasonable. And everything was explained to me upfront and there were no surprises, no hidden fees, nothing like that,” Amanda explains. “Anytime I had questions, Pursuit was responsive and straightforward, too. They really made this as smooth and efficient as possible.”

Today, Black Horse Stables has three facilities where Amanda and her team teach more than 250 lessons each week and provide boarding and care for about 100 privately owned horses, as well as Black Horse Stables’ own lesson horses.

“I couldn’t afford the farm without a loan, but I thought the bank would laugh at me when I told them I needed more than a million dollars. Instead, they made it happen by introducing me to the SBA 504 loan and Pursuit,” Amanda says. “Today, I have my dream stable and a loan that we can afford. I couldn’t be happier about how this worked out.”

**STRENGTHENING COMMUNITIES THROUGH COLLABORATION**

We prioritize teamwork and collaboration to boost and build communities. From fostering an inviting and engaging culture internally to understanding the communities we serve in order to offer the best loan products for their needs, we support small business growth from the ground up. We're a partner to small businesses, banks, community organizations, and our teammates because our impact is greater when we work together to leverage our strengths.

**LEADING WITH TRANSPARENCY AND AUTHENTICITY**

We're upfront about our requirements and expectations because that's key to lending responsibly. Our staff is always learning to maintain our expertise and provide the most comprehensive and updated information to business owners and our partners. Our decisions are supported by facts, and we share that information with our borrowers and applicants to educate them and improve their financial outlook.

**CELEBRATING DIVERSITY AND EMBRACING OUR DIFFERENCES**

We're committed to possibility! We support all small businesses in every community and value individual and cultural differences in our borrowers, communities, and our staff. We work to understand economic disparities to find equitable solutions for underserved communities. Every loan opportunity is treated equally, regardless of the dollar amount. We welcome new ideas and perspectives to expand our horizons and offer the best-fit product for each business owner.

**ENGAGING ON A PERSONAL LEVEL**

We leverage technology to streamline our processes, but we never lose our human touch. We take time to listen to each other, our borrowers, and our partners to fully understand their needs, and we're always present when someone has a question. We embrace our borrowers' goals and make them our own. A business owner is never just a number to us; it's important to us to have a thorough understanding of their story so we can effectively fulfill their needs.



## MISSION STATEMENT

Empowering businesses in all communities by providing access to responsible capital and resources.

## VISION STATEMENT

To create a more inclusive economy by ensuring every business owner has a path to success.

## KEY PERFORMANCE INFORMATION



**597**

number of loans funded



**\$320M**

total dollar amount funded



**\$1.8B**

total managed portfolio



**3,180**

jobs created



**1,268**

number of businesses served through advisory services

**PURSUIT BDC BOARD OF DIRECTORS**

**James H. Bason**, President, TruFund Financial Services

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**Angelo Ramirez**, Senior Vice President & Regional Market Leader, Tompkins Community Bank

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**Joe Vanella**, Vice President, Wells Fargo & Company

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**Gregg Bishop**, Executive Director, Joe and Clara Tsai Foundation's Social Justice Fund

**Bruce W. Boyea**, Chairman & CEO, Security Mutual Life Insurance Company

**James J. Byrnes**, Retired Chairman, Tompkins Financial Corporation

**Chris Levy**, President & CEO, Pursuit

**Patrick MacKrell**, Retired CEO, Pursuit

**Michael T. Pugh**, President & CEO, Carver Federal Savings Bank

**Sonya Smith**, State Director, New York Small Business Development Center

**John Witkowski**, President & CEO, Independent Bankers Association of New York State



## SEPTEMBER 30

2022

2021

**Cash and Investments**

\$ 31,240,784

\$ 119,285,126

**Loans Receivable**

Loans Receivable

239,509,850

287,264,229

Interim loans receivable

6,509,850

16,054,093

PPP loans receivable

32,135,258

334,896,391

Other pandemic loans receivable

13,193,503

18,478,320

504 Program loans funded by SBA

1,316,519,748

1,198,347,795

Loans receivable serviced under LSP

211,508,447

16,683,282

**Total Loans Receivable**
**1,819,376,656**
**1,871,724,112**

Participations sold

(68,144,023)

(76,300,899)

504 Program loans funded by SBA

(1,316,519,748)

(1,198,347,795)

Loans receivable serviced under LSP

(211,508,447)

(16,683,282)

Allowance for loan losses

(11,838,222)

(11,783,148)

**Net Loans Receivable**
**211,366,216**
**568,608,987**
**Other Assets**
**7,930,228**
**8,661,924**
**TOTAL ASSETS**
**250,537,228**
**696,556,037**

Loans Payable

141,226,095

594,211,760

Other Liabilities

21,568,173

29,719,803

**TOTAL LIABILITIES**
**162,794,268**
**623,931,563**

Stockholders Equity - Pursuit BDC

51,719,940

44,699,185

Net Assets - Pursuit CDC

13,276,556

12,761,545

Net Assets - Pursuit Community Finance

20,047,679

14,291,342

Net Assets - Excelsior LDC

2,698,785

872,402

**TOTAL STOCKHOLDERS EQUITY AND NET ASSETS**
**87,742,960**
**72,624,474**
**TOTAL LIABILITIES, STOCKHOLDERS EQUITY AND NET ASSETS**
**250,537,228**
**696,556,037**

## SEPTEMBER 30

2022

2021

Interest Income	11,979,795	12,730,336
Interest Expense	(2,992,185)	(4,249,565)
PPP and NYCCF Net Interest Income	9,153,362	19,523,563

<b>Total Net Interest Income</b>	<b>18,140,972</b>	<b>28,004,334</b>
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SBA 504 Program Revenues	11,800,314	13,086,521
Management Fees	2,501,197	3,795,455
Grant Income	7,310,320	6,932,215
Investment Gain / (Loss) (Realized and Unrealized)	1,814,699	4,352,314
Other Income (Origination, Legal, Investment, etc.)	3,071,986	2,989,881
Contributions	1,749,000	311,195

<b>TOTAL NET INTEREST AND NON-INTEREST INCOME</b>	<b>46,388,488</b>	<b>59,471,915</b>
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### Salaries and Employee Benefits

Salaries	12,674,460	12,210,078
Employee Incentive Plan	2,300,516	2,245,554
401(k)	582,139	635,488
Profit Sharing	1,661,739	752,097
Insurance	1,296,272	1,338,656
Payroll Taxes	1,015,886	1,001,605

<b>Total Net Interest Income</b>	<b>19,531,012</b>	<b>18,183,478</b>
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Information Technology	1,204,022	813,743
Rent and Occupancy	1,035,400	1,064,889
SBA 504 First Mortgage Fees	1,442,855	1,903,106
Other Operating Expenses	4,480,404	5,932,244

<b>Total Operating Expenses</b>	<b>27,693,693</b>	<b>27,897,460</b>
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Provision for Loan Losses	557,593	2,319,835
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<b>Income Before Income Taxes</b>	<b>18,137,202</b>	<b>29,254,620</b>
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<b>NET INCOME</b>	<b>14,819,062</b>	<b>23,092,160</b>
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