

PathStone



Connecting You to Opportunities

Puerto Rico



THE **ECONOMY** CONFERENCE  2018

APRIL 9-11, 2018
WASHINGTON HILTON HOTEL
WASHINGTON, DC



PathStone Enterprise Center Overview

- Since inception we have made a total of 1,300 business loans-
\$32,000,000
- Leveraged an additional \$26.1 million in private funding
- Created and maintained an estimated 2,800 jobs
- Loan losses have averaged 2.0% of its portfolio over the past nine
years
- **Service Area:**
 - Upstate New York (since 1998)
 - Puerto Rico (since 2012)



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RURAL INNOVATION FUND



MIRIAM SIERRA

OWNER, ALBORADA RESTAURANT

PathStone helped me, they gave us a loan and we were able to expand (our current business) and have all we need in order to open.

0:20 / 3:00



LIVE PINPOINT
DOPPLER

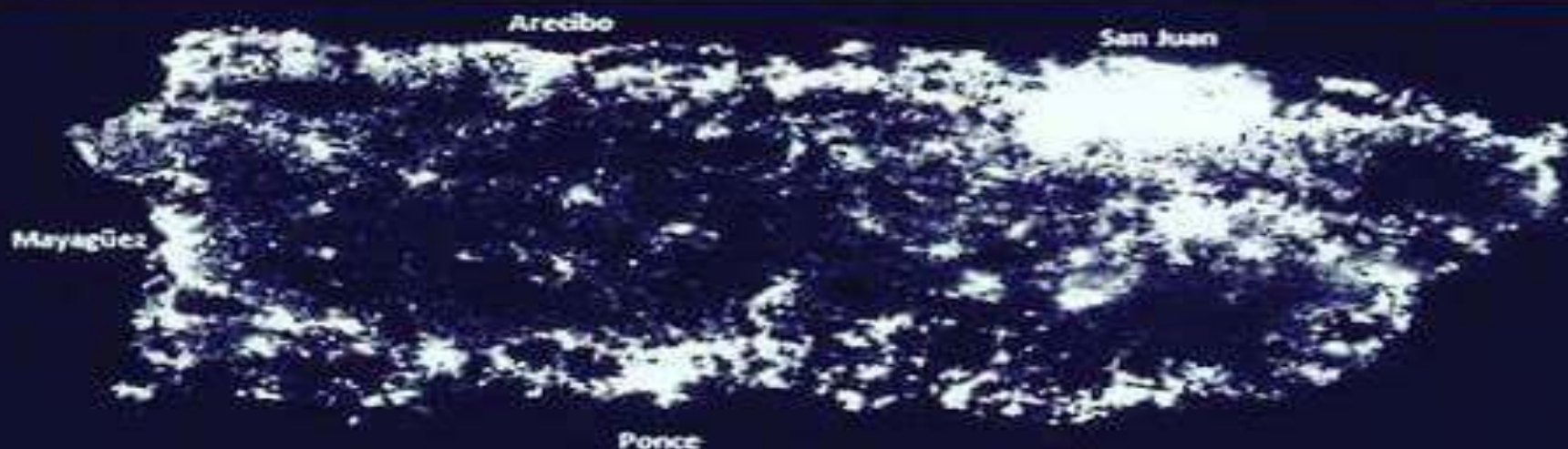


HURRICANE MARIA

WED 1:37 AM



Puerto Rico from space



Before Maria



After Maria





IMMEDIATE RESPONSE

Food Boxes; Gas Stoves; Solar Lights; Housing Services; Water Filters



PathStone  Puerto Rico



 **Fundación Comunitaria de
Puerto Rico**

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PECI Strategies and actions after hurricane María

1. Provide assistance to current PR small business portfolio
2. Advocate for assistance to small business to partners, local and national media
3. PEGI - NY Fed “One-Stop Shop”
4. Expande Tu Negocio
5. Outside clients TA and loan Pipeline
6. Increasing PEGI Internal Capacity
7. Direct Donations

PECI Strategies and actions after hurricane María

1. Provide assistance to current PR small business portfolio
 - 45 clients
 - 5 months initial forbearance
 - 4 had total losses
 - 6 are not operating as of March 15 2018
 - 2 loan will need restructuring
 - 12 will need additional forbearance from 3-5 additional months
 - 1.3M loan exposure
 - 100k potential charge-offs

PECI Strategies and actions after hurricane María

2. Advocate for assistance to small business to partners, local and national media

- CRA, FIC, Citi, Fondos Unidos (thanks to Lee's intervention we might get a second 500k round, whereas we initially were to get 250k)
- Press Releases, Radio and TV Interviews, Articles (Visión March 2018, NY Times March 2018, La Isla Oeste February 2018, WORA TV, among others)
- Inversol (HHS CED, jointly with T&E)

PECI Strategies and actions after hurricane María

3. PECI - NY Fed One-Stop Shop

- Provide information (19)
 - local organizations
 - government agencies
 - non-profits
 - credit, marketing, technical assistance, financing and post hurricane María relief assistance for small businesses
- Assisted around 170 business owners and start-ups
- Potential alliance with Banco Popular (BPPR-PECI One-Stop Shop)
- We expect to do two (2) additional One-Stop Shops before the year is over



PECI Strategies and actions after hurricane María

4. “Expande Tu Negocio” (Grow your business)

- To impact 40 small businesses from Isabela, Moca, San Sebastián and Aguadilla
- BEFORE hurricane María: program targeted existing businesses
 - only TA and financing
- AFTER hurricane María: we are targeting both existing businesses and businesses impacted by María
 - TA, financing AND grants
 - (partial “Fondos Unidos” funds , Rochester fund and partial FHLB)
 - The rest of the program is financed by Rural Development

PECI Strategies and actions after hurricane María

5. Outside clients TA and loan Pipeline

PIPELINE PECI PR	
Ibsen Medical Devices (20k)	\$ 20,000.00
KAHR Construction (20k)	\$ 20,000.00
Sully Cintrón (15k)	\$ 15,000.00
Keneth López (15k) (current client)	\$ 15,000.00
Nelson Vicenty (20k)	\$ 20,000.00
Los Teques Corp. (16k) (current client)	\$ 16,000.00
Smart CE Institute (30k)	\$ 30,000.00
Bernadette Ortiz / Hojalde Añasqueña / Aromas (35k) (current client)	\$ 35,000.00
David Rodríguez (100k)	\$ 100,000.00
Germinados Campo Verde (90k) (current client)	\$ 90,000.00
Distribuidor Comercio Matres (Mayaguez)	\$ 20,000.00
Gaming Paradise	\$ 13,500.00
Rest El Gandul Rest W WABOYS Inc.	\$ 16,000.00
Madeline Montero Moca (75k)	\$ 75,000.00
Rafael Juarbe (50k)	\$ 50,000.00
Office Xpress	\$ 20,000.00
Quiles (Arecibo)	\$ 100,000.00
	\$ 655,500.00

PECI Strategies and actions after hurricane María

6. Increasing PECI's internal capacity

- Hiring additional Business Development Officer
- Putting in bank accounts all available approved loan dollars
- Partner alliances

PECI Strategies and actions after hurricane María

7. Direct grants to Small Businesses

- Fondos Unidos (30k)
- Rochester Fundraising (20k, of which 10k has been disbursed)
- Federal Home Loan Bank (FHLB)

Hojaldre Añasqueña





THE
JUST





THE
JUST











Challenges Continue

On March 1st a blackout hit Puerto Rico's capital and surrounding areas after two main power plants shut down.



The capital of San Juan was left without power along with the neighboring municipalities of Caguas, Bayamón and Carolina.

More than 970,000 people live in the areas hit by the blackout.

Challenges Continue

Exodus from Puerto Rico is growing every day



“The government of Puerto Rico’s guess is that by the end of 2018, 200,000 more residents will have left the U.S. territory for good, moving to places such as Florida, New York, Texas, Pennsylvania, New Jersey and New England. It would mean another drop of more than 5 percent in the island’s population.”

PathStone Puerto Rico

WE NEED YOUR HELP. PLEASE DONATE NOW AND ENCOURAGE YOUR FRIENDS AND FAMILY TO HELP!

Dear Friends -

As daily news reports are showing us, Hurricane Maria has devastated the entire island of Puerto Rico. With this message, we are reaching out to our friends and colleagues throughout our network to ask for your help as we work together to support our country men and women rebuild their lives.

Donation

\$500.00 \$100.00 \$75.00 \$50.00 \$25.00

Donation Amount:

Make this a recurring gift

Your gift will automatically repeat until you decide to cancel it.

Please choose one of the projects below to direct where you would like your donation to go. Thank you.

Honor Roll

Show on honor roll

Name



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