



ANNUAL REPORT

LETTER FROM THE PRESIDENT

Mountain West Small Business Finance (MWSBF) enjoyed a great 2023 fiscal year. The SBA approved our statewide expansion to Idaho, where we have already been developing new relationships and expanding overall 504 loan production. MWSBF now operates statewide in Utah, Colorado, Wyoming, and Idaho. We continue to have 504 lending authority in the northern counties of Arizona, the eastern counties of Nevada (including Las Vegas), and San Juan County of New Mexico. We are excited to make the SBA 504 product available to a total population well in excess of 12,000,000 in all of those areas.

Due to continued high national interest rates, inflationary pressures, and increased Utah competition, MWSBF had a lower level of loan volume in 2023 compared to the last two previous years; however, was still on pace with the pre-COVID years. We are happy to report that MWSBF was ranked the 8th highest producing CDC in the entire country (out of about 195), and that we are the number one SBA lender in a state that has the highest per capita 504 loan production in the country!

We are pleased to report that our loan portfolio continues to be very strong and to perform at extremely high levels, notwithstanding the high rates and inflation. We are very excited that our portfolio is quickly approaching the \$1,000,000,000 mark, which we should attain in the first half of 2024! As always, we continue to be impressed by the innovative spirit of these small businesses and their ability to rise to current economic challenges as they work to meet the needs of their customers. MWSBF is extremely proud to have played a role in helping these companies in their journeys to success.

We are proud to announce the hiring of a very capable and experienced Community and Economic Development team that is tasked with furthering our economic development mission to the “next level” through Community Advantage lending, small business education, and a growing grant program. We are currently in the process of forming an affiliated non-profit (Mountain West Foundation) through which MWSBF will conduct all of its Economic Development activities.



Sincerely,

A handwritten signature in black ink, appearing to read 'John D. Evans', with a long horizontal flourish extending to the right.

John D. Evans

President and CEO, Mountain West Small Business Finance

Unique Market Niche

- Targets the most dynamic and job-rich sector of our economy: small, independently owned companies.
- Focuses on financing owner-occupied commercial real estate for small businesses.

The Advantages of 504

- Structured to have a first loan from a traditional lender, bank, or credit union (usually 50 percent), a second loan 504 loan (usually 40 percent), and a minimum 10 percent down payment.
- Combines and provides expertise of both the Certified Development Company (CDC) and the traditional lender, bank, or credit union.
- Gives small businesses the ability to refinance loans and get cash out on refinances.
- The 504 loan is a fixed rate, typically below market rate for 10, 20, or 25 years.

What is a CDC?

- Provides a local source of marketing and expertise on 504 loans.
- Acts as the hub of the project: prepares all paperwork, coordinates activities of the financing participants.
- Services the 504 loans for the life of the loans.

Window to Wall Street

- 504 loans are funded through monthly pools of debentures, guaranteed by the SBA, giving small business borrowers access to the public capital markets represented by Wall Street.
- Enables small businesses to access capital at the lowest possible cost, allowing them to preserve working capital, grow faster, and create more jobs.

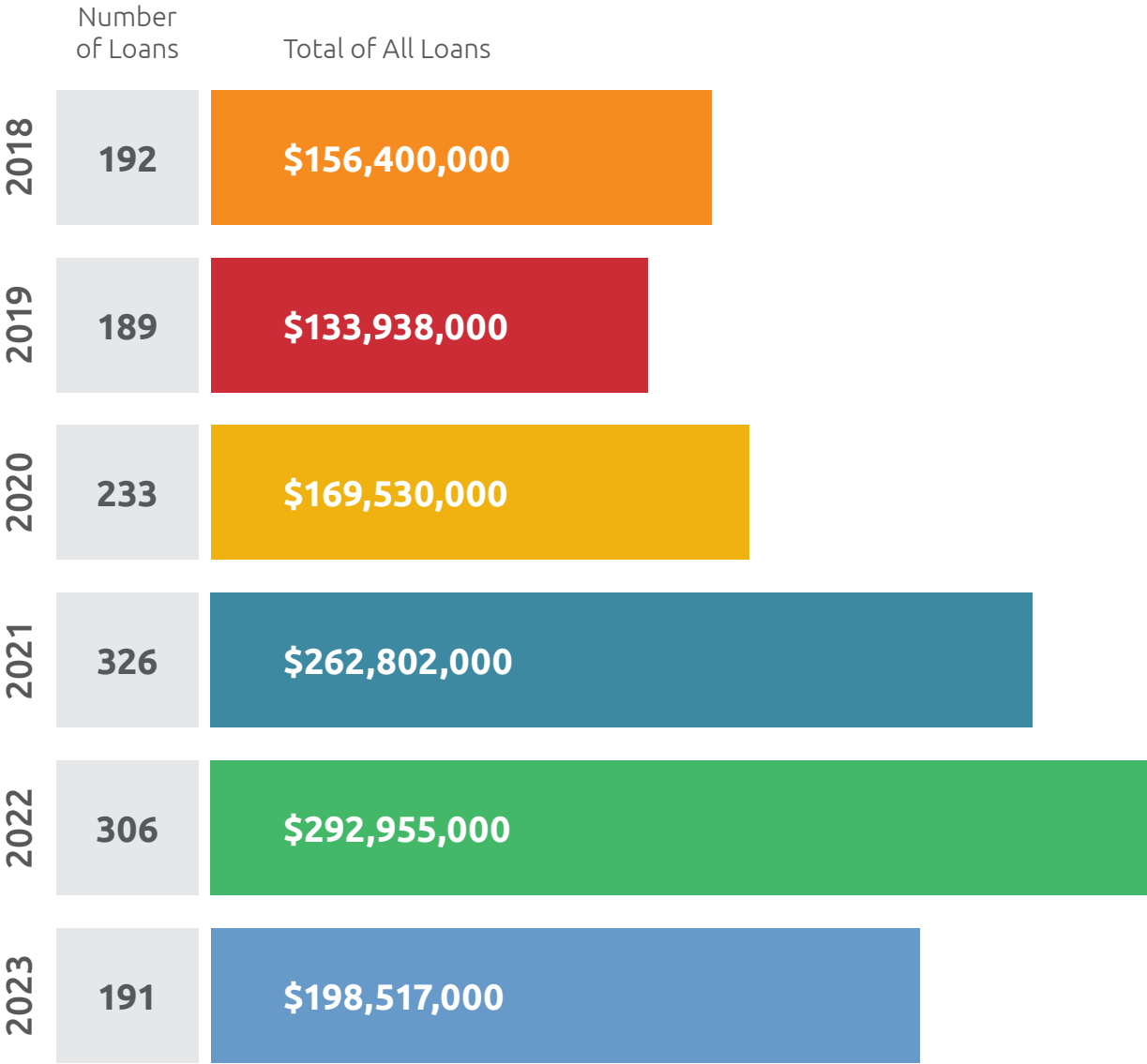
A Federal Small Business Program that Pays for Itself

The unique market niche, the private expertise, the focused expertise of the CDC, the SBA guaranty, and the affordability of both the CDC services and the capital markets participation, all combine to provide 504 loans to borrowers at the lowest possible cost.

The 504 loan program is the rarest of programs in that it has bi-partisan support and uses zero subsidies. And the economic benefits 504 loans provide the Utah economy are invaluable.

Mountain West Small Business Finance is an equal opportunity provider and employer.

LOANS APPROVED



2023 LOANS BY THE NUMBERS



Manufacturing: **18**



Women Owned: **36**



Minority Owned: **18**

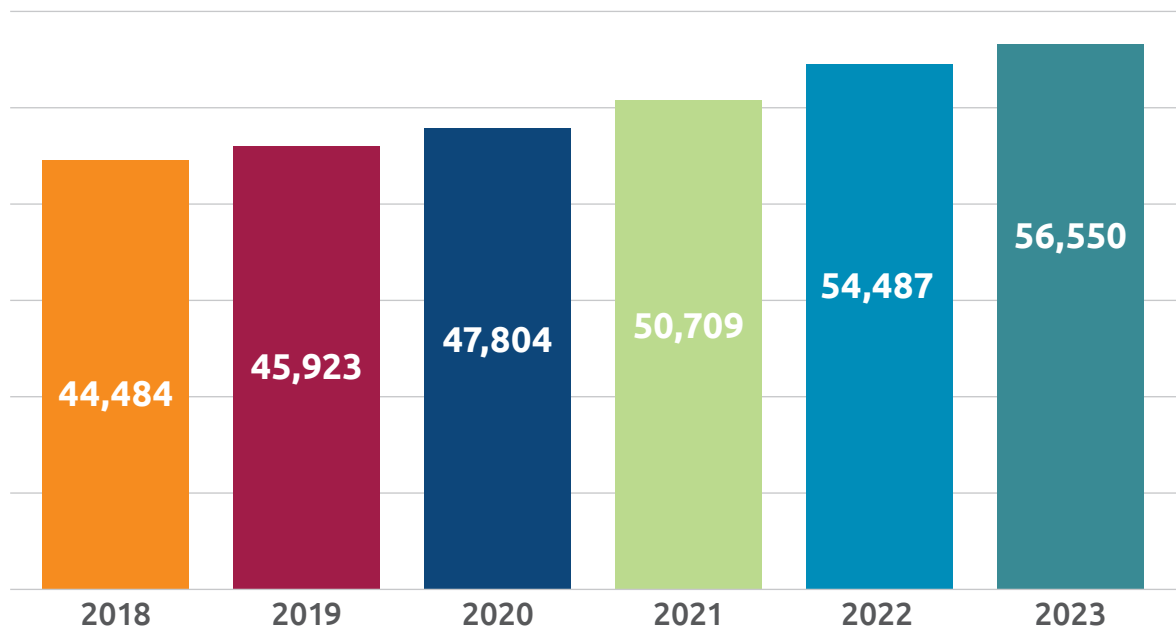


Rural: **18**

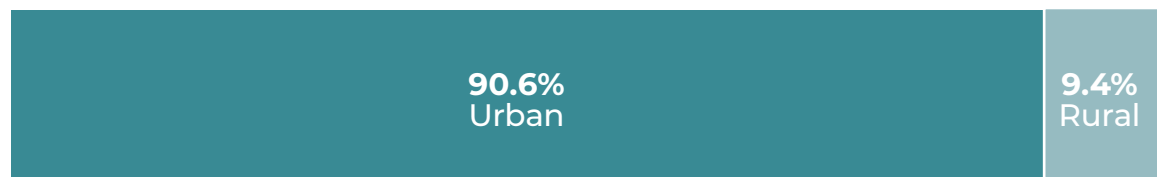


Veteran Owned: **2**

CUMULATIVE JOBS CREATED AND RETAINED



2023 LOAN BREAKDOWN



MOUNTAIN WEST SMALL BUSINESS FINANCE'S PORTFOLIO HAS LESS THAN 1% DELINQUENCY RATE



"The savings we got from refinancing our loan has given us the flexibility to improve our business in many ways. We've been able to make tenant improvements to our building and stock up on inventory during busy times like the holidays. We can even hire an extra employee or two when needed."

—Rippy Bhangu
Owner, Crystal Valley Wine and Spirits

"I was pretty anxious during the loan process because we had to get everything done so we could open in May. By March it was do or die time, but Mountain West really stepped up to make sure the deal got done in time for us to open for the summer season."

—Ashlee Milby
Owner, Milby's Burger Barn and BBQ

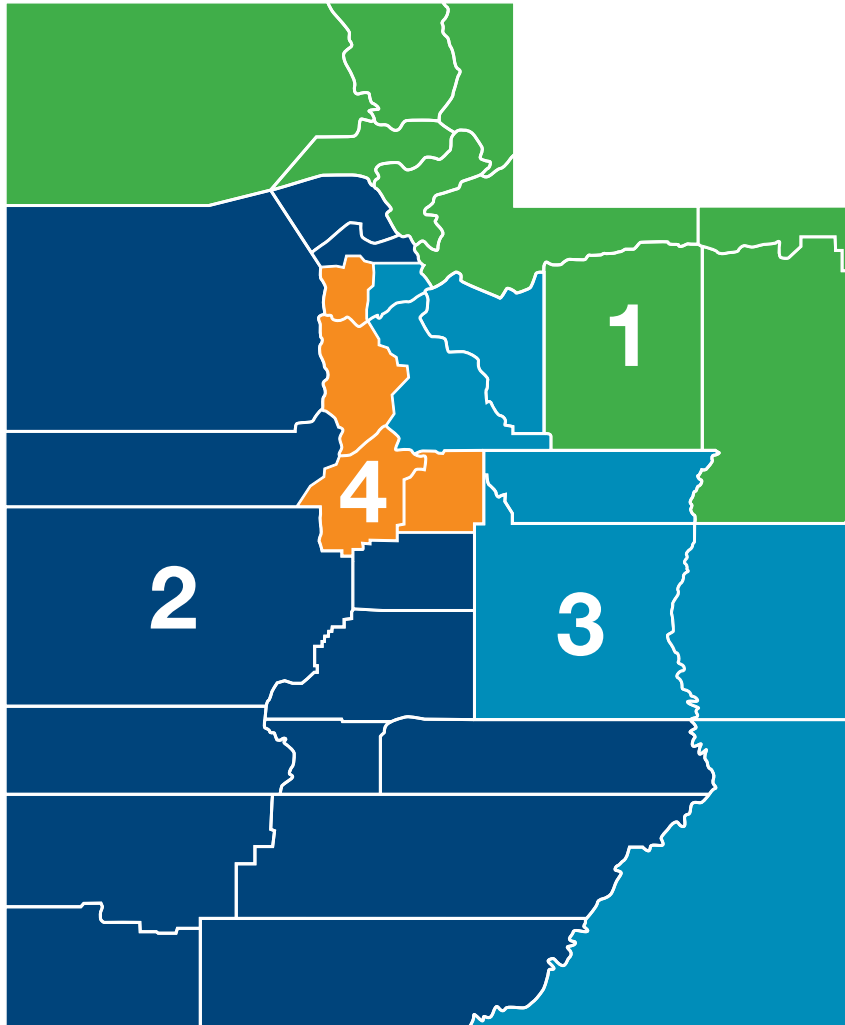


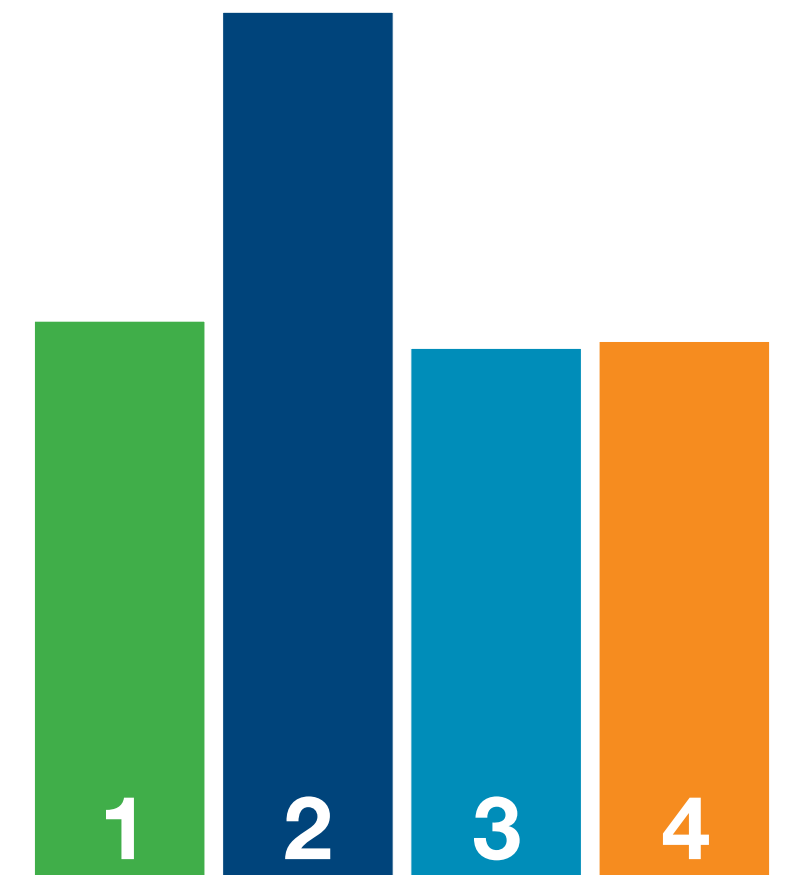
"Mountain West is so great to work with. I love that they are local, so we can put a face to a name and work together closely. Plus, they are really organized and quick. We've had two loan experiences with them and they were both incredible. Everything was seamless."

—Jennifer Pettinger
Owner, Sun Print Solutions

UTAH

504 Loans by Utah Congressional District





504 Loan Totals by District

Total Number of Loans: **149**

Utah Total: **\$149,565,000**

SUN PRINT SOLUTIONS

Sun Print Solutions was founded as Sun Lithographing and Printing in 1941. In its over 80-year history, employees have always been the ones to take on ownership. Jennifer Pettinger and Sara Deneau are the fourth generation employees to purchase the now 100% woman-owned company.

In a male-dominated industry, the two women have become a formidable team that understands how to utilize each other's strengths to build success.

In 2021, MWSBF helped Sun Print Solutions secure the property of their main facility. The experience went so smoothly, they again enlisted MWSBF this past year for an SBA 504 loan to secure an additional space on Printer's Row.



"The loan has really given us the ability to control our own destiny. Not having a landlord provides a tremendous peace of mind and gives us more options to be creative in how we run the company."

—Jennifer Pettinger
Owner, Sun Print Solutions



Sun Print Solutions is the only union printing company in Utah officially licensed to print the union label of the Printing, Packaging, & Production Workers Union (PPPWU).

Jennifer Pettinger and Sara Deneau
Owners, Sun Print Solutions

MILBY'S BURGER BARN & BBQ

In 2022, when Ahmad Milby was asked about his dream job, he answered, "Opening a barbecue restaurant to run with my family." With the support of his wife, Ashlee, the couple—who had no restaurant background—decided to pursue the dream.

As fate would have it, the Burger Barn near where Ashlee grew up was going up for sale and upon visiting the location, Ashlee and Ahmad instantly fell in love. The couple started talking to banks about a loan and soon were directed to Mountain West Small Business Finance, who immediately saw the potential.

"It truly was Mountain West that convinced our bank to jump on board with the loan. They believed in us from the start and knew the restaurant could be a success."

—Ashlee Milby
Owner, Milby's Burger Barn and BBQ



The loan financed the purchase of the land, the restaurant facility, and equipment, including a Southern Pride smoker that can smoke one thousand pounds of meat. The restaurant is open from May through October and caters to visitors of Panguitch Lake.



Ahmad and Ashtee Milby with children
Isaiah, Eli, Naomi, and Eden

The restaurant's hottest selling item has been the 13-hour smoked brisket sandwich. Ahmad also grills pulled pork, ribs, smoked chicken wings, and tri-tip, to go along with the restaurant's seven different burger combos.

LOAN TOTALS BY STATE



IDAHO

Number of Loans: **5**

Total: **\$1,645,000**



MONTANA

Number of Loans: **4**

Total: **\$9,599,000**



CALIFORNIA

Number of Loans: **1**

Total: **\$1,542,000**



ARIZONA

Number of Loans: **1**

Total: **\$794,000**



NEVADA

Number of Loans: **3**

Total: **\$2,836,000**



NEW MEXICO

Number of Loans: **1**

Total: **\$1,167,000**



WYOMING

Number of Loans: **11**

Total: **\$11,745,000**



UTAH

Number of Loans: **149**

Total: **\$149,565,000**



COLORADO

Number of Loans: **16**

Total: **\$19,624,000**



"Expanding our services to communities throughout the western United States has brought added excitement and energy to everyone here at Mountain West Small Business Finance. We look forward to continuing to assist a wide variety of small businesses attain the financing they need to grow."

—Danny Mangum, EVP/COO
Mountain West Small
Business Finance

CRYSTAL VALLEY WINE & SPIRITS

The store has done better than what the brothers projected in sales and revenue every month it has been open.

Rippy and Sunny Bhangu,
Owners, Crystal Valley Wine & Spirits

“Working with Mountain West was such an easy-going process. I felt like we didn’t need to do too much because they gave us whatever we needed, and everything was so quick.”

—Rippy Bhangu
Owner, Crystal Valley Wine & Spirits



Rippy and Sunny Bhangu were looking for a business opportunity and decided a liquor store would be a good fit for the Castle Rock neighborhood. They found a spot in 2018 and purchased the land and then built a 10,000-square-foot facility in 2019. They opened Crystal Valley Wine & Spirits in 2020, using half of the space for their store and renting out the other half to tenants.

In 2023, the brothers decided to refinance their loan. Working with Mountain West Small Business Finance on the refinance helped them to reduce their interest rate dramatically, which lowered their payment by a whopping \$10,000 a month!

UNPROCESSED KITCHEN



Unprocessed Kitchen provides private chef and custom meal prep with drop off services, providing a mouthwatering variety of food choices—whatever the client wants—all made from scratch with quality ingredients.

Alicia Brieger
Owner, Unprocessed Kitchen

Alicia Brieger started Unprocessed Kitchen in 2014 in Jackson, Wyoming. The location provides both challenges and benefits as real estate is so expensive there are not many feasible places for a commercial kitchen, but there's also a huge demand for private chef and meal preparation services. Alicia moved in and out of several kitchens for 10 years, renting space, sharing space, but not finding anything sustainable for the long term. So, when an affordable property became available, she jumped at the chance to buy it, turning to Mountain West Small Business Finance for financing.

The loan helped fund the property and the buildout of a new 1300-square-foot commercial kitchen, complete with everything the business needs to thrive.



"The loan changed my life. Everything is so much better now with our new kitchen. Operations run much smoother. Over the holidays, we were able to double the volume from last year."

—Alicia Brieger
Owner, Unprocessed Kitchen

COMMUNITY MINDED

2023 marks the first year MWSBF has had a fully dedicated department and staff to fulfill its Community and Economic Development Initiatives. We are excited about what we achieved this year and look forward to even more fantastic results in the coming years.

Different Ways We Invest in the Communities We Serve

- SBA Community Advantage Loans
- Grants/Sponsorships to Resource Partners
- Entrepreneurial Education/Training/Technical Assistance
- Membership and Representation in Organizations Representing Underserved Communities

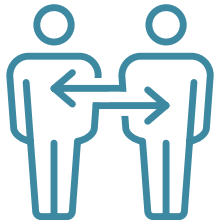


\$450K

Dollars in Community Advantage Loans made to underserved borrowers.

\$70K

Grants/scholarships provided to 12 non-profit organizations.



14

Hours spent providing one-on-one counseling with underserved entrepreneurs.

134

Hours spent with resource partners at community events.



"There's so much more to economic impact than loan production. At Mountain West Small Business Finance, we strive to make a difference in the communities where we live and work. That's why we're proud to partner with and support many diverse and vibrant community-oriented organizations."

—Danielle Lower
VP Community and Economic Development

DIRTY 2 CLEAN

Dirty 2 Clean has 15 employees who clean six to nine rental properties and homes every day all over the Salt Lake Valley, including 30-plus properties at Solitude Mountain Resort.

Robert Mata
Owner, Dirty 2 Clean



SBA Community Advantage Loans

Robert Mata has always enjoyed pulling out the bucket from his garage to clean his windows. “Cleaning windows calms your mind,” he said. “You’re just focused on finishing the job in front of you.”

One day in 2014, he decided quit his job and take that bucket and start knocking on doors. After finding some early interest in his window cleaning services, he started calling property management companies. The upstart business turned into Dirty 2 Clean, a now thriving window and house-cleaning business.

Last year, Robert connected with Mountain West Small Business Finance for a 7(a) Community Advantage Loan. The loan financed a new carpet cleaning van and other equipment. This allowed them to expand Dirty 2 Clean’s service offerings and keep growing well into the future.



“My loan representative was always there to walk me through the loan process every step every step of the way. He remained professional and nice, no matter how simple or complex my questions were.”

—Robert Mata
Owner, Dirty 2 Clean

Working with Our Resource Partners to Bolster the Community

Bountiful Children's Fair

We provided funding for a children's business fair where kids learned how to promote their small business ideas.

The Utah Muslim Civic League

The funding we provided helps the Utah Muslim Civic League respond to Muslims' collective concerns and to empower Muslims as involved citizens and leaders.

Wyoming Women's Business Center

We helped the Wyoming Women's Business Center support and empower over 1,000 Wyoming entrepreneurs.

Grow Utah Ventures

Our grant helped Grow Utah Ventures fund a cohort of their RAMP program, a startup accelerator for product innovators.

The Utah Microloan Fund

To help fund a Business Advisor's salary, we provided a grant, which in turn helped the Utah Microloan Fund close 23 loans in 2023 to women and others from underserved communities.

Women's Business Center of Utah

Thanks to our support, Women's Business Center of Utah was able to train two new outreach coordinators who substantially increased the exposure of the Center to remote areas in the state.

Spice Kitchen Incubator

Our grant supported the creation of a Small Business Center at Spice Kitchen, a business incubator organization that provides technical assistance and training for refugees interested in starting a food business.

South Salt Lake Community Opportunity Center (The Co-Op)

The Co-Ops communal workspace successfully assisted 43 entrepreneurs with training and one-on-one assistance in part due to the desks our grants funded.

Utah Black Chamber of Commerce

Our support for the Utah Black Chamber of Commerce helps to improve Utah's business community by connecting a pipeline of resources to underrepresented and minority-owned businesses across the state.

Utah LGBTQ+ Chamber of Commerce

Over 140 people attended the Chamber's Lead Out Proud Economic Summit, thanks in part to our grant funding.

Utah Hispanic Chamber of Commerce

Our grant funded the Latinas in Business event, which had over 120 registrants, and a Career Fair, which had over 300 people in attendance and helped more than 30 companies hire new employees.

Pacific Island Chamber of Commerce

The development and implementation of a cohort-based entrepreneurial curriculum for the Chamber was paid for by our grant.

Women Who Succeed

We sponsored Women Who Succeed's *Diamonds on Ice* event, which helped them raise over \$200,000 in scholarships for higher education.

Utah Small Business Loan Fund

Mountain West staff members sit on the board and facilitate loan programs for Utah Small Business Loan Fund, one of the largest and oldest alternative business lenders in Utah.



PARTNER LENDERS

We value the many individuals and organizations that are committed to making small businesses successful. Our excellent lending partners help us to consistently and effectively provide SBA 504 loans to small businesses in our community. We sincerely thank the following lenders for supporting us and for ensuring the success of their clients.

Altabank

America First Credit Union

Atlantic Capital Bank

Bank Five Nine

Bank of America

Bank of Jackson Hole

Bank of Utah

Brighton Bank

Cache Valley Bank

Capital Community Bank

Central Bank

CIT Bank

Community Banks of Colorado

Deseret First Federal Credit Union

D.L. Evans Bank

First Bank of Wyoming

First Capital Commercial

First Community Bank Utah

First Northern Bank of Wyoming

First Utah Bank

Fortis Private Bank

Goldenwest Credit Union

Grand Valley Bank

Hillcrest Bank

Holladay Bank & Trust

Jordan Federal Credit Union

JP Morgan Chase Bank

Key Bank

Lending Club Bank

Live Oak Banking Company

Meadows Bank

MidFirst Bank

Morgan Stanley Bank

Mountain America Credit Union

Rock Canyon Bank

Security State Bank

State Bank

State Bank of Southern Utah

Stearns Bank

The First National Bank of Waseca

University First Federal Credit Union

U.S. Bank

Utah Community Credit Union

Utah First Federal Credit Union

Washington Federal Bank

Wells Fargo

Zions Bank

BOARD OF DIRECTORS

The passion and commitment from our Board of Directors keeps the entrepreneurial spirit alive, and their experience and wisdom provides our organization with the counsel needed to run smoothly and effectively.

Russ Cowley

*Chair, Board of Directors
Six County Assoc. of Governments*

Shelly Johnson

*Vice Chair, Board of Directors
Zions Bank*

Trevor Anderson

EVP State Bank of Southern Utah

Clint Buys

Cache Valley Bank

Dave Christiansen

Mountain America Credit Union

John Evans

Mountain West Small Business Finance

Holly Galbraith

Maverik, Inc.

Clare Leishman

Lewiston State Bank (Retired)

Les Prall

*Utah Division of Economic Development
(Retired)*

Becki Schreyer

BKD CPAs & Advisors

Ann Marie Wallace

Women's Business Center of Utah

"This loan and our new facility has allowed my business to grow comfortably and effectively. I can truly say the loan changed my life. Life is so much better now with our new kitchen."

—Alicia Brieger
Owner, Unprocessed Kitchen





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