

**CITY OF OAKLAND**  
**AGENDA REPORT**

OFFICE OF THE CITY CLERK  
2007 JUL 10 11:09:00

TO: Office of the City Administrator  
ATTN: Deborah Edgerly  
FROM: Community and Economic Development Agency  
DATE: July 10, 2007

**RE: Annual Report Regarding the Status of the City's and  
Redevelopment Agency's Commercial Loan Programs**

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**SUMMARY**

The Community and Economic Development Agency (CEDA) is mandated to provide the City Council and Redevelopment Agency an informational report on Commercial Lending programs funded by either City, Redevelopment Agency or grant monies. This report is a summary of lending and technical assistance programs administered by both City staff and contracted service providers. Services provided to Oakland's small business community include loan underwriting, loan servicing, business plan technical assistance, employment monitoring, and collection of delinquent loans.

**FISCAL IMPACT**

Report is informational only, no fiscal impacts are included.

**BACKGROUND**

In March 2003, City Council approved a restructuring plan for the Commercial Lending Unit that provided mechanisms to improve the overall performance of services offered by the former One Stop Capital Shop. The program modifications were necessary to address concerns of both loan fund providers and performance standards established by the City Council and the Redevelopment Agency. Since the last report, the assigned Commercial Lending Manager has been assigned as Interim Director of Redevelopment, Economic Development and Community Development. As a result, the Commercial Lending Unit is currently comprised of one Commercial Loan Administrator and two staff persons. Standard activities of the unit include the following: Meeting with loan clients, reviewing loan proposals, providing loan disbursement services, preparation of loan documents for redevelopment projects, preparing loan documents for workouts or restructurings, managing collection and foreclosure processes, preparation, coordination and monitoring of Professional Services contracts, providing staff support to assist with planning and organizing the City's annual Small Business and Youth Symposium, supplying reporting data for inquiries from the City Administrator's Budget Office, City Administrator's Office of Contract Compliance, Finance and Management Agency, City Auditor's Office, City of Oakland Consolidated Action Performance Evaluation Report (CAPER),

Community Development Block Grant (CDBG) evaluations, Department of Housing and Urban Development (HUD) and independent auditors. The Commercial Lending Unit recently reconciled internal appropriation of commercial lending funds and has implemented procedures to retrieve the fiduciary control of approximately \$8 million of HUD funds to ensure that the City remains in compliance with HUD repayment agreements.

For the current reporting period, July 2006 – June 2007, City staff and community partners have worked to improve existing services and identify gaps in services offered. During this review period, the Commercial Lending staff, consisting of one Manager, until February 2007, one Loan Administrator and two FTEs, working with contract partners, accomplished the following by utilizing City funded commercial loan programs:

- Collected approximately \$1,015,550 in delinquent and defaulted loans
- Negotiated proposals for the restructurings of one loan
- Received \$1,807,147 in total loan payoffs
- Underwrote 24 new loans to 22 loan clients
- Created opportunities for 60 new jobs and retained 8 jobs in the Oakland economy
- Provided six clients with technical assistance in the development of business/marketing plans
- Created a Coliseum Redevelopment Area Revolving Loan Program, which currently has nine potential loan applicants
- Reconciled HUD 108 loan funds to ensure funds were in the appropriate accounts in accordance to HUD guidelines; and
- Created Commercial Lending Fiscal Controls and a HUD 108 Procedure Manual

Oakland small business owners and entrepreneurs continue to have access to City services designed to assist in their establishment, growth, stability and viability.

## **KEY ISSUES AND IMPACTS**

This informational report summarizes the activities undertaken by the Commercial Lending Unit and its service delivery partners beginning July 2006 through June 2007. Actions during this reporting period includes the pursuit and collection of delinquent and defaulted loans, negotiation and execution of Professional Services Agreements with Commercial Lending contracted service providers, contract monitoring, and fiscal management of loan funds.

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The Commercial Lending Unit anticipates undertaking of the following projects during the upcoming review period:

- Develop and create a new Professional Service Contract to provide comprehensive employment placement and job retention services required by HUD to businesses that have attained Enhanced Enterprise Communities (EEC) loans;
- Implement a final strategy with a small business incubator service provider and execute a professional service contract;
- Continued pursuit of delinquent and defaulted loans;
- Request an Economic Development Initiative (EDI) Loan Loss Reserve drawdown in the amount of \$3.2 million from HUD to offset the City's EEC HUD 108 uncollectible and defaulted loans;
- Request an EEC HUD 108 drawdown in the amount \$2.6 million from HUD to reimburse loan expenditures that have been disbursed to EEC HUD 108 loan recipients;
- Implementation of a procedure to utilize short-term investment tools to enhance the City's commercial lending pool of funds to leverage interest earnings that will supplement the commercial loan funds to repay the City's outstanding debt to HUD and enable the City not to use CDBG funds to subsidize negative debt service caused by defaulted and uncollectible commercial loans; and
- Include the loan underwriting and servicing process with the commercial loan portfolio for the Economic Development Administration (EDA) Brownfield loan program

### **Defaulted Loans**

This reporting period, the Commercial Lending Unit received both payoffs of loans classified as current and those classified as defaulted, causing the overall loan portfolio default rate (27.4%) to decrease from the previous reporting period. This improvement is due in part to staff aggressively collecting delinquent and defaulted loans.

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Commercial Lending staff, in collaboration with the City Attorney's Office and the Finance and Management Agency, continue to pursue delinquent and defaulted loan balances. As a result of these combined efforts, the following has occurred:

- Collection of \$1,015,550 in defaulted loans
- City Attorney's Office retained outside counsel to assist with retrieving an approximately \$500,000 foreclosed acquired collateral property.

Since the restructuring of the former One Stop Capital Shop (March 2003), the amount of defaulted loans collected is \$7,102,147.

### **Professional Services Contracts**

CEDA's Commercial Lending Unit maintains and monitors four Professional Services contracts. These contracts are the primary vehicle by which services to Oakland's small business community are provided. The contracts are with the following organizations:

#### Oakland Business Development Corporation

The Oakland Business Development Corporation (OBDC) performs three primary services through its contract with the City/Agency. These services include: The marketing and outreach of lending services, servicing of the City/Agency's loan portfolio, and loan underwriting up to \$249,500.

During the period July 2006 – June 2007, OBDC accomplished the following:

	<b>Loan Program</b>	<b>Annual Contract Target Amount *</b>	<b>No. of Loans Underwritten</b>	<b>Principal Value</b>	<b>Leverage Value</b>
1	NEDF**	10	13	\$523,330	\$1,061,988
2	Micro Loans	5	9	\$157,550	\$389,689
3	EDA/OR A***	4	2	\$235,000	\$396,631
4	EEC/EDI****	3	0 <sup>1</sup>	0	0
	<b>Totals</b>	<b>22</b>	<b>24</b>	<b>\$915,880</b>	<b>\$1,848,308</b>

\* Annual Contract Target Amounts expires at the end of FY 06/07 (June 30, 2007).

\*\* Neighborhood Economic Development Fund (NEDF)

\*\*\* Economic Development Administration (EDA)/ Oakland Redevelopment Agency (ORA)

\*\*\*\*Enhanced Enterprise Community (EEC)/Economic Development Initiative (EDI)

<sup>1</sup> Oakland Business Development Corporation was delayed in pursuing EEC loan recipients due to the City's request for HUD's authorization to continue to lend EEC funds. Since HUD's notification and authorization to continue to lend EEC funds, OBDC has been aggressively marketing the EEC Loan Program. There are currently 11 EEC loan recipients in the pipeline for potential EEC loans.

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Other OBDC accomplishments, which are not funded by the City include:

- Underwrote 14 SBA Small Office Home Office (SOHO) Micro loans totaling \$80,000 to Oakland businesses, which created 12 jobs and retained 8 jobs
- Underwrote 2 loans totaling \$36,750 from their new Green Business Fund, including the City's first green certified caterer, located in West Oakland, for an additional 4 new jobs and 8 retained jobs
- Underwrote 3 loans from a newly created New Market Tax Credit (NMTC) Fund to Oakland businesses, which created 8 jobs and retained 8 jobs

Additionally, the OBDC staff conducted the following outreach efforts promoting City/Agency loan programs:

	<b>Outreach Method</b>	<b>Contacts</b>
1	Presentations at East Bay Entrepreneur Center	148
2	New Client Inquiries	677
3	Technical Assistance to Potential Clients	365
4	Technical Assistance to Applicants	291
5	Door-to-Door Marketing/Site Visits	34
6	Number of New Applicants	22

It should be noted that of the above-mentioned marketing and outreach methods, 100% of the efforts were directed to Oakland based businesses or entrepreneurs. OBDC continues to work with Redevelopment staff and CEDA Business Development Services staff to market lending programs to local businesses identified through other City and community contacts.

OBDC has agreed to monitor and track jobs projected/retained/verified for all Oakland based loans regardless of origin for the life of the loan, including any SBA or Bank Revolving Loan Fund loans underwritten by OBDC in Oakland, and all City loans, for complete and accurate data. The data will be collected using a comprehensive form designed specifically to capture detailed information pertaining to every job resulting from commercial lending in Oakland. The methodology and process to attain this specific and detailed data will require that staff be sent into the field once a quarter to meet with all Oakland companies in the commercial loan portfolio. OBDC staff will also collect job data as well as company financial statements, certificates of insurance, and will have a simple standardized process for assessing the overall condition of the company. Based on the information collected, OBDC staff will develop an annual summary for the City of Oakland of each company. Further, these site visits will allow OBDC to remarket commercial loan products to successful borrowers and to provide

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technical assistance to companies to sustain rapid growth or learn new strategies, skills and business disciplines to remain successful. Given the number of loans in the City's commercial loan portfolio that will be monitored and tracked for job creation and retention, a full time job has been included as a new position in OBDC budget for the next contract cycle (2007/2009).

#### Williams and Associates

Due to the void left by the closure of the Oakland Small Business Growth Center, the City contracted with Williams and Associates, an independent service provider, for assistance with business and marketing plan development. The under-\$15,000 contract was beneficial in assisting six entrepreneurs and business owners in constructing or amending their business and/or marketing plans to a point where they were suitable for submittal as supporting documentation for private and public sector business loan applications.

#### National Development Council

Through the City's contract with the National Development Council (NDC), City staff and the OBDC have access to additional technical assistance for the evaluation and structuring of economic development project proposals, identification of alternative funding sources for projects, and complex financial analysis of project pro forma in CDBG eligible areas.

#### East Bay Small Business Development Center

In an effort to reduce the amount of the Commercial Lending Unit's operation overhead funded by EEC/EDI 108 funds, it was determined that the lease for the City of Oakland's and U.S. Small Business Administration's (SBA) East Bay Entrepreneur Center (EBEC) location at 519 17<sup>th</sup> Street, Oakland would not be renewed. As of result of closing the EBEC, the City contracted with Cal State East Bay Small Business Development Center (SBDC), and developed a new partnership to offer classes, a Commercial Lending workshop calendar, consulting services, and business planning resources for entrepreneurs and small business owners in Oakland. The under-\$15,000 contract is focused on developing and implementing programs and services that support small business growth and sustainable economic development.

### **Proposed Services and Programs**

#### Small Business Incubator Services

During the last reporting period, the Commercial Lending Unit was preparing a Small Business Incubator Services Request for Proposal (RFP) for solicitation of a service

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provider. Since that time, the RFP was issued and the responses evaluated by Commercial Lending, CDBG and Contract Compliance staff. Of the three responses to the RFP, the review panel determined that the East Bay Center of Entrepreneurial Excellence's response best fulfilled the requirements and criteria identified in the RFP. However, the East Bay Center of Entrepreneurial Excellence has not been responsive in submitting additional required documentation requested to initiate the creation of the proposed of Small Business Incubator. Therefore, staff will be releasing a new, revised RFP.

The intent of the incubator is to establish a centralized office space that offers meeting and training space and/or a physical location that offers Oakland small business owners and entrepreneurs an outlet for services helpful to the growth of their business. To guide the potential incubator service provider, staff included a specific project description and scope of services in the Request for Proposal packet to attain those needs that are specific to residents and business owners within the City of Oakland.

Funding for the incubator project comes from a combination of CDBG funding for the incubator operations and Redevelopment funds for the initial site build-out. The ever decreasing nature of CDBG funds has dictated that alternate funding sources be identified if this activity is to be maintained and the service provided to the Oakland small business community. The perceived funding structure of the re-established Oakland incubator project will rely heavily on private financing and fund raising, with augmentation of public funds for operations and training components. CEDA staff will work with the leadership of the selected entity to design programs consistent with the guidelines and restrictions of available funding sources.

#### America Works of California, Inc.

As a result of restructuring job monitoring functions, the Commercial Lending staff obtained a contractor to work in conjunction with the OBDC staff to provide comprehensive employment and job retention services to three Enhanced Enterprise Communities (EEC) which have businesses with EEC loans. The contractor will develop employer sites within the three EEC target areas to locate and serve potential candidates who reside in the EEC areas, will work closely with the borrower and Workforce Investment Board (WIB) to solicit and process all referrals and walk-ins from residents in designated EEC areas, will utilize targeted outreach efforts to obtain eligible candidates and will provide all eligible candidates with intake assessment and orientation.

#### Summary Documents

Staff has included four spreadsheets which summarize the lending, outreach, employment and collection efforts of the Unit for the July 2006 – June 2007 review period. Also included is the Commercial Loan Portfolio spreadsheet (#1) and a newly created spreadsheet summarizing all loans collected since 2000 (#2).

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Spreadsheet Summary – The following tables are attached to this report:

1. Loan portfolio, including loan terms, current status and hiring information where appropriate.
2. All loans collected.
3. Current and delinquent/defaulted loans
4. Loan portfolio pay-offs – 13 Loan Pay-offs

## **SUSTAINABLE OPPORTUNITIES**

*The business training and loan programs offered through the Commercial Lending Unit assist in the sustainability of Oakland through business attraction, retention and job growth.*

Economic: Commercial Lending program goals support the hiring of local residents and many of the loan funds have specific hiring requirements which complement the City's local hiring goals.

Businesses locating in Oakland support Oakland's economic sustainability and ability to provide services to its resident population through the assessment of taxes and fees.

Environmental: *Environmental considerations are applied when applicable.*

The newly created Green Business Fund, in the amount of \$500,000, through OBDC, will assist certified green businesses in Oakland's low-moderate income census tracts to enhance Oakland's environment.

Social Equity: Loan programs target traditionally underserved communities to provide services in those communities and jobs to residents of those communities.

## **DISABILITY AND SENIOR CITIZEN ACCESS**

Oakland small business owners and entrepreneurs receiving loan funds or City funded services are informed that acceptance of funds or services subject them to compliance with State and Federal regulations regarding accessibility.

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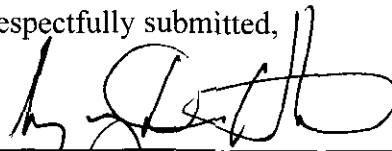
**RECOMMENDATION(S) AND RATIONALE**

As this is an Informational Report, no recommendations are offered at this time.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff requests that City Council and the Redevelopment Agency accept this report.

Respectfully submitted,



**Gregory D. Hunter, Interim Director**  
Redevelopment, Economic Development,  
Housing and Community Development

Prepared by:  
Lisa Brown, Loan Administrator  
Commercial Lending

Attachments

APPROVED AND FORWARDED  
TO THE COMMUNITY AND ECONOMIC  
DEVELOPMENT COMMITTEE

  
Office of the City Administrator

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**CITY OF OAKLAND COMMERCIAL LOAN PORTFOLIO  
BY LOAN AMOUNT  
6-15-07**

Borrower Name	Loan Type/ Program	Loan Status	Target Job Creation/ Actual Job Creation*	Approval Date	Initial Funding Date*	Total Amount Approved Loans / Grants / Loan Loss Reserves	Current Principal Outstanding	Total Principal Amount Paid	Term (in months)	Interest Rate	Maturity Date	Debt Service (Principal & Interest Only)	Amount/ Date Last Paid	Security Interest/ Collateral	Comments**
<b>Loans from \$1,000,000 and up</b>															
1a Fruitvale BART Transit Village FLAGSHIP LOAN	Flagship EEC/RLF-HUD 108	Current	88.5/251	2/20/96	6/21/99	\$3,300,000	\$3,187,500	\$112,500	204	7.50%	6/1/2016	\$20,181.04 (8/06-7/07)	\$20,181.04 6/1/07	1) 1st deed of trust on current SPUC office building (to be released after project property achieves sufficient value to secure City's loan 2) 2nd deed of trust on project real estate	Effective 6/1/06, FDC has resumed regular principal & interest monthly payments at \$18,226.46. FDC is still experiencing a cash reduction as a result of continuing vacancies at Fruitvale Village
1b	EDI Grant	Grant	N/A			\$3,300,000	\$3,199,920	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
2a Oakland Redev. Agency Jack London Gateway Plaza Shopping Ctr. (aka Acom Shopping Center) FLAGSHIP LOAN	Flagship EEC/RLF-HUD 108	Loan Assumed (see below)	60.0/44	11/4/97	12/15/97	\$2,100,000	\$2,100,000	\$0		7.40%	6/1/2006		Loan Assumed by Jack London Gateway Associates, LLC (see below)	1st deed of trust on project real estate	The \$2.1 mm Section 108 loan approved by Council in 1996 was used to pay for part of ORA's \$2.9 mm acquisition cost of the shopping center. Intent was for loan and companion EDI grant to be assumed by new non-profit purchaser of center. City has received payments of \$1,059,195.42 to date. This loan is expected to be assumed by JLG Associates, LLC by the of February 2006. Loan assumed 3-1-06
2b	EDI Loan	Converted to a Grant (Grant Assumed - see below)	N/A	11/4/97		\$883,000	\$883,000	\$0		N/A	N/A		N/A	N/A	These EDI funds in the amount of \$883,000 were originally structured as a forgivable loan to pay the balance of the acquisition cost of the Center. Council approved conversion of this loan to a grant in July 1999. EDI grant assumed 3-1-06
2c	EDI Grant	Grant (Grant Assumed - see below)	N/A	11/4/97		\$1,217,000	\$642,317	\$0		N/A	N/A		N/A	N/A	\$1,217 mm EDI grant was authorized for rehabilitation, and debt reserve for Gateway Shopping Center.
3a JLG Associates LLC - Jack London Gateway Plaza Shopping Ctr. FLAGSHIP LOAN	Flagship EEC/RLF-HUD 108 (ORA pays 10 yrs. From 3/06 thru 2/16)	Current		3/1/06	3/1/06	\$1,500,000	\$1,369,316	\$130,684	192	7.55%	3/1/2022	\$ 13,479.01	\$80,879.16 2/9/07 (Jan - June '07)		On 3/1/06 this \$2.1 mm loan was assumed by Jack London Gateway (JLG) LLC. The \$2.1 mm consist of two funding sources, an EEC Section 108 loan in the amount of \$1.5 mm and an HUD EDI loan in the amount of \$600,000
3b	Flagship EEC/RLF-HUD 108	Current		3/1/06	3/1/06	\$800,000	\$571,567	\$28,433	192	7.55%	3/1/2022	\$ 5,391.60	\$5,391.60 5/4/07		
4 E. M. Health Services FLAGSHIP LOAN	EEC/RLF-HUD 108	Collections	32.0/0	6/1/96	4/27/97	\$1,100,000	\$1,100,000	\$0	72	8.75%	N/A		Defaulted 01/99	1st security interest in business assets	Referred to Collections, the debt has been uncollectable.
	EDI Loss Reserve					\$1,100,000									

\*As of April, 2006 Job Creation Matrix

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<b>Loans from \$500,000 - \$999,999</b>																
6	Lake Merritt Hotel Assoc.	Regular HUD 108	Paid in Full	23.0/N/A	8/19/94	\$800,000	\$0	\$800,000	120	7.50%	9/1/2004	\$ 5,593.72	\$756,567.39 6/8/05	1) 2nd deed of trust on project property 2) 2nd deed of trust on multi-unit residential rental property	PAID IN FULL 6/05	
6a	Just Real Estate, LLC	EEC/RLF-HUD 108	CAO	23.0/0	4/11/00	7/21/00	\$800,000	\$800,000	\$0	180	8.00%	8/1/2015	\$13,384 8/2/02	1) 2nd deed of trust on project real estate	CAO is in process of submitting a complaint for breach of contract. Breach of contract was awarded 7-05 to pursue collections on personal property. CAO has attained appropriate court documents to file an abstract judgment against the borrowers to pursue collections.	
6b		EDI Loan	CAO	19.0/0	4/11/00	7/21/00	\$650,000	\$650,000	\$0	180	3.00%	8/1/2015	n/a	2) 4th deed of trust on project real estate	Senior lien-holder acquired property through foreclosure sale in 10/03. Referred to CAO for further investigation to collect our debt. CAO has attained appropriate court documents to file an abstract judgment against the borrowers to pursue collections. CAO has obtained a default judgment entered May 14, 2007 in the amount of \$2,013,387.	
7	Just Desserts, Inc.	EDI Loan	CAO/Bky. Filed	3.0/0	4/11/00	7/21/00	\$100,000	\$98,348	\$1,652	180	3.00%	8/1/2015	\$ 729.70	\$737.00 3/5/03	3) 3rd security interest on furniture, fixtures and equipment purchased	Loan is in default and Just Desserts, Inc. has filed a Chapter 11 - Bankruptcy. Referred to CAO.
8a	Connell Auto Center (Sini Management Corp)	Regular HUD 108	Current	20.0/N/A	5/28/02	9/6/02	\$673,171	\$621,339	\$51,832	163	6.00%	6/1/2016	\$ 4,170.03	\$4,170.03 5/21/07	1) 2nd deed of trust on project property 2) Personal guarantees	Loan is being paid as agreed. Monthly payments calculated on a 330 month amortization schedule with an approximate \$462,239 balloon payment upon maturity in 05/16.
8b		Commercial Industrial Revolving Loan Fund (CIRL)	Current		5/28/02	12/5/02	\$26,829	\$24,750	\$2,079	162	6.00%	6/1/2016	\$ 166.19	\$188.19 5/21/07	1) 2nd deed of trust on project real estate 2) Personal guarantees	Loan is being paid as agreed
9	Niman Ranch Properties	EEC/RLF-HUD 108	Paid in Full	17.5/61	3/3/99	\$600,000	\$0	\$600,000	180	7.50%	8/1/2015	\$ 5,562.07	\$432,379.30 4/20/07	1) 2nd deed of trust on commercial real estate	PAID IN FULL 4/07	
10	Niman McConnell	EDI LOAN	Paid in Full	17.5/60	3/3/99	\$600,000	\$0	\$600,000	180	3.50%	8/1/2015	\$ 4,288.62	\$383,544.04 4/20/07	2) Senior security interest in business assets of Niman Ranch Properties and 2nd position on business assets of Niman Ranch, Inc.	PAID IN FULL 4/07	

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<b>Loans from \$250,000 - \$499,999</b>																
11a	Sunrise Specialty	EEC/RLF-HUD 108	Paid in Full	11.5/7	4/17/01	8/27/01	\$400,000	\$0	\$400,000	185	8.50%	12/1/2016	\$ 3,886.37	\$341,292.99 10/13/06	1) 1st deed of trust on 50% portion of Medford property. 2) 3rd deed of trust on 98th Ave. property	PAID IN FULL 10/06
11b		EDI Loan	Paid in Full	11.5/7	4/17/01	8/27/01	\$396,000	\$0	\$396,000	185	4.25%	12/1/2016	\$ 2,978.99	\$306,132.97 10/13/06	3) 2nd deed of trust on 50% portion of Medford property; 4) 4th deed of trust on 98th Ave. property. 5) UCC1 filing on equipment, fixtures, inventory	PAID IN FULL 10/06
12a	Gregory Truck Body FLAGSHIP LOAN	Flagship EEC/RLF-HUD 108	CAO	10.0/0	5/1/97	7/11/97	\$350,000	\$189,246	\$160,754	77	8.25%	6/1/2004		\$190,151.67 10/4/00	1) \$200,000 EDI Loss Reserve	Referred to CAO to find assets to repay City's debt. Borrower filed a Chapter 11 bankruptcy which has been converted to Chapter 7. Litigation is pending to determine if the City will receive funds from assets through the bankruptcy courts.
		EDI Loss Reserve					\$200,000									
12b		Regular HUD 108	Paid in Full	4.0/0	12/1/95	2/1/98	\$150,000	\$0	\$150,000	108	9.00%	2/1/2005	\$1,521.40	\$215,870.90 10/4/00	1) Deed of trust on personal residential property. 2) UCC 1 on business assets.	PAID IN FULL 10/00
13	Lamumba Corp. dba Geoffrey's Inner Circle	ORA Broadway Corridor	Paid in Full	N/A	7/8/97	7/15/97	\$271,200	\$0	\$271,200	240	8.00%	8/1/2017	\$ 2,268.43	\$221,123.11 6/18/04	2nd deed of trust on project real estate	PAID IN FULL 06/04
14	Blackboard Entertainment	EEC/RLF-HUD 108	CAO/ Settlement	7.0/0	6/23/98	1/29/99	\$250,000	\$212,095	\$37,905	84	7.00%	2/1/2006		\$5,800.00 11/10/05	1) 2nd security interest in business assets. 5% preferred stock in company Personal guarantee of principal 2) \$250,000 EDI Loss Reserve (not to exceed outstanding balance)	\$15,000 Settlement Amount PAID IN FULL - 11/10/05 (Under settlement agreement, through bankruptcy court, City receives \$400/month until the \$15,000 settlement amount is paid in full. Council has authorized designation of this loan as defaulted and the drawdown of EDI Loan Loss Reserve Funds to cover future losses if needed (Borrower has completed paying as ordered by the court.)
		EDI Loss Reserve					\$250,000									
15a	3J's & BH Enterprises FLAGSHIP LOAN	EEC/RLF-HUD 108	Paid in Full	7.0/0	6/26/97	6/26/97	\$250,000	\$0	\$250,000	75	8.25%	4/1/2004		\$384,614.54	1) 2nd Deed of trust on commercial property in the amount of \$250,000. 2) 3rd deed of trust on commercial and residential properties in the amount of \$100,000.	PAID IN FULL 12/05
		EDI Loss Reserve					\$200,000									

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<b>Loans from \$100,000 - \$249,999</b>																
15b	3Ja & BH Enterprises FLAGSHIP LOAN	EEC/RLF-HUD 108	CAO	3.0/0	6/26/97	\$100,000	\$61,693	\$0	84	8.50%	8/1/2004	\$1,777.84		1) 1st deed of trust on borrower residence in the amount of \$150,000 & a 2nd deed of trust in the amount of \$100,000.	Property was acquired through Foreclosure Trustee Sale on 8/06. Case has been referred to outside Counsel to negotiate lease/settlement and/or eviction. We are waiting for two Lis pendens to be recorded before marketing property for sell.	
		EDI Loss Reserve				\$100,000										
15c		Regular HUD-108	CAO/Bky. Filed	4.0/0	1/11/98	6/5/98	\$150,000	\$149,520	\$480	120	8.50%	2/1/2005	5/1/98	1) 1st deed of trust on personal residence in the amount of \$150,000 & a 2nd Deed of Trust in the amount of \$100,000. 2) 1st lien on machinery & equipment.	Referred to CAO for collection actions. The borrower filed a Chapter 7 bankruptcy with a Trustee appointed over the borrower assets	
16	Gill Electric	ORA Broadway Corridor	Current	N/A	3/29/06	3/29/06	\$249,500	\$221,348	\$28,152	120	6.00%	4/1/2016	\$2,796.96	\$8,392.98 6/3/07	2nd deed of trust on commercial real estate	Loan is being paid as agreed
17	Ahmed Dobashi dba Kwikway Laundry	EEC/RLF-HUD 108	Current	7.1/0	6/24/05	6/24/05	\$249,500	\$218,020	\$31,480	120	7.00%	7/1/2015	\$ 2,896.91	\$2,925.88 6/6/07		Loan is being paid as agreed
18	Technical Leasing Corporation	Regular HUD 108	CAO			1/24/83	\$240,000	\$240,000	\$0	240	11.15%		\$ 2,501.80	2/6/03		Loan defaulted and property foreclosed in 7-84. City sold property for \$400,000 in 8-88 netting \$87,405 after payment of 1st loan and sales expenses. City also paid \$220,761 to keep 1st loan current and perform necessary repairs during its 4-yr ownership. \$8,400 in loan and commitment fees also rec'd in 1983. Referred to CAO to determine the City's position to pursue foreclosure action or request a settlement offer for the vacant land encumbered by the City for collateral. Per CAO the two-action will prevent the City to collect, unless the borrower is willing to make a settlement. CAO is still attempting to pursue collections.
19a	Comet Skateboards	EEC/RLF-HUD 108	Restructured	7.0/-5	5/7/02	7/25/02	\$160,000	\$90,228	\$69,772	89	7.00%	12/1/2009	\$1,718.35	\$53,765 10/14/05	Senior lien on all business assets to be purchased with City loan funds	Loan has been restructured. Borrower made a substantial payment as a condition of the loan restructure. Borrower is 4 months delinquent and a collection letter has been forwarded
19b		EDI LOAN	Restructured		5/7/02	7/25/02	\$85,000	\$52,368	\$12,632	89	3.00%	12/1/2009	\$706.56	\$713.63 11/10/06		Loan has been restructured. Borrower made a substantial payment as a condition of the loan restructure. Collection letter has been forwarded.
20	General Nutrition Center	EEC/RLF-HUD 108	Settlement	4.0/-11	4/3/00	7/24/00	\$156,000	\$30,316	\$125,684	84	7.50%	8/1/2007	\$ 2,392.77	\$137,998.56 8/14/03	1) Subordinate UCC filing on equipment, fixtures, inventory 2) 2nd deed of trust on personal residence 3) \$85,000 EDI Loss Reserve	Foreclosure action cancelled after loan was partially paid off. City recovered \$137,000 and is pursuing collection of outstanding balance of \$30,000. Loan has Loan Loss Reserve funds to cover losses
		EDI Loss Reserve				\$65,000										

**CITY OF OAKLAND COMMERCIAL LOAN PORTFOLIO  
BY LOAN AMOUNT  
6-15-07**

Borrower Name	Loan Type/ Program	Loan Status	Target Job Creation/ Actual Job Creation*	Approval Date	Initial Funding Date*	Total Amount Approved Loans / Grants / Loan Loss Reserves	Current Principal Outstanding	Total Principal Amount Paid	Term (in months)	Interest Rate	Maturity Date	Debt Service (Principal & Interest Only)	Amount/ Date Last Paid	Security Interest/ Collateral	Comments**
<b>Loans from \$100,000 - \$249,999 (cont'd)</b>															
21	AlVete's Foot (The)	EEC/RLF-HUD 108	Paid in Full	4 3/0	4/29/99	11/30/99	\$150,000	\$0	\$150,000	120	7.50%	11/1/2007	\$ 1,780.53 \$159,223.31 11/23/04	1) 2nd deed of trust on residence in the amount of \$150,000. 2) 1st security interest in all business assets 3) \$120,000 EDI Loss Reserve	The residential property was acquired by the City on 7/28/04. Referred to Real Estate Services. Property has been sold. Loan was PAID IN FULL on 11/23/04
		EDI Loss Reserve					\$120,000								
22	Print Shop (The)	EEC/RLF-HUD 108	Partially Paid in Full	3.5/1	2/2/99	3/23/99	\$150,000	\$28,000	\$122,000	96	7.00%	11/1/2007	\$ 2,045.06 \$111,840.77 7/22/04	1) UCC-1 filing on equipment, fixtures & inventory 2) 2nd deed of trust on personal residence.	Foreclosure action cancelled after loan was partially paid off. On 7/22/04 City recovered \$111,840.77 and a remaining balance of \$28,000 remains outstanding. Loan has Loan Loss Reserve funds to cover losses.
		EDI Loss Reserve					\$100,000								
23a	Mitchell, Kenneth (Stone's Easy One Stop)	Regular HUD 108	Paid in Full	4.0/N/A	5/1/96 Comm. Date	4/1/97	\$150,000	\$0	\$150,000	180	8.50%	5/1/2011	\$230,370.17 11/15/04	1) 1st deed of trust on project property 2) 2nd deed of trust on residential property 3) Senior security interest in business assets	PAID IN FULL 11/04
23b		Regular HUD 108	Paid in Full	3.0/N/A	5/1/96 Comm. Date	4/1/97	\$55,000	\$0	\$55,000	180	8.50%	5/1/2011	\$230,370.17 11/15/04	1) 1st deed of trust on project property 2) 2nd deed of trust on residential property 3) Senior security interest in business assets	PAID IN FULL 11/04
24	Carrie's Landing	CIRL	Litigation	N/A		7/1/95	\$150,000	\$150,000	\$0	30	7.00%	9/1/1996			Last notice from CAO stated commencement of litigation and intent to serve borrower. No status update since. Staff has contacted the Collection Division to verify if loan has been referred. Request authorization to write off.
25a	United Market	EEC/RLF-HUD 108	Paid in Full	4.0/0	12/17/02		\$145,000	\$0	\$51,437	156	7.00%	6/1/2018	\$ 1,418.58 \$21,437.25 12/14/06	1) 2nd and 3rd deeds of trust on project real estate 2) Senior lien of FF&E 3) \$30,000 cash reserve 4) Guarantees of principals' other businesses	PAID IN FULL 12/06
25b		EDI Loan	Paid in Full		12/1/02		\$105,000	\$0	\$3,601	156	4.00%	6/1/2018	\$ 564.23 \$3,816.30 12/14/06		PAID IN FULL 12/06
26	Moler Barber College	ORA Broadway Corridor	Current	N/A	11/8/05	11/8/05	\$135,000	\$120,028	\$14,972	120	6.00%	12/1/2015	\$1,498.78 \$1,498.78 5/29/07	2nd deed of trust on personal residence.	Loan is being paid as agreed
27	Tri Dot Enterprise dba Domino's Pizza	ORA Broadway Corridor	Paid in Full	N/A			\$125,000	\$0	\$125,000	120	6.00%	7/1/2015	\$ 1,387.76 \$113,551.92 5/1/07	Deed of trust on residential property	PAID IN FULL 5/07

**CITY OF OAKLAND COMMERCIAL LOAN PORTFOLIO  
BY LOAN AMOUNT  
6-15-07**

Borrower Name	Loan Type/ Program	Loan Status	Target Job Creation/ Actual Job Creation*	Approval Date	Initial Funding Date*	Total Amount Approved Loans / Grants / Loan Loss Reserves	Current Principal Outstanding	Total Principal Amount Paid	Term (in months)	Interest Rate	Maturity Date	Debt Service (Principal & Interest Only)	Amount/ Date Last Paid	Security Interest/ Collateral	Comments**	
<b>Loans from \$100,000 - \$249,999 (cont'd)</b>																
28a	Pill Hill Printing	EEC/RLF-HUD 108	Paid in Full	4.0/1	7/24/01	11/26/01	\$120,000	\$120,000	\$0	120	8.00%	12/1/2012	\$ 1,562.25	\$160,309.14 6/18/07	1) Senior security interest in business assets. 2) 2nd deed of trust on personal residence in the amount of \$240,000.	PAID IN FULL 6/07
28b		EDI Loan	Bankruptcy	4.0/1	7/24/01	11/26/01	\$120,000	\$118,381	\$1,619	120	4.00%	12/1/2012	\$ 727.18	\$734.45 5/5/03	Senior security has been transferred to business assets(UCC1).	Staff has requested authorization from City Council to restructure loan. Payment has been deferred on this loan
<b>Loans from \$1 - \$99,999</b>																
29	Mercury Computer Corp.	ORA Broadway Corridor	Closed			6/23/95	\$100,000	\$100,000	\$0							The owner's filed Chap. 7 and the BK court discharged the City of Oakland debt. Lawsuit was dismissed by CAO. Request authorization to write off.
30	Frankie's inc. dba It's A Grind	ORA Broadway Corridor	Current	N/A		1/26/05	\$100,000	\$71,265	\$28,735	84	5.50%	3/1/2012	\$ 1,437.00	\$1,451.37 5/29/07		OBDC - Loan paid as agreed.
31	Upland Sports Group	EEC/RLF-HUD 108	Paid in Full	3.0/0	2/3/03	6/3/03	\$99,900	\$0	\$99,900	84	7.50%	6/1/2010	\$ 1,532.29	\$23,008.04 4/28/05	1) Subordinate deed of trust on personal residence and other real estate. 2) Personal guarantees.	PAID IN FULL 4/05
32	J. Malnick	EDA	Paid in Full	2.0/0	2/26/04	3/31/04	\$99,500	\$0	\$99,500	120	6.00%	5/1/2014	\$ 1,054.69	\$78,169.37 6/14/07	1) Business assets 2) 2nd Deed of Trust on commercial property	PAID IN FULL 6/07
33	Luka's LLC	ORA Broadway Corridor	Current	3.0/N/A	1/23/04	4/1/04	\$165,000	\$160,260	\$4,740	84	6.00%	3/1/2014	\$ 2,410.41	\$2,410.41 6/7/07	1) 2nd Deed of Trust on personal property	OBDC - Loan is being paid as agreed.
34	La Loma Medical Center	EEC/RLF-HUD 108	Paid in Full	3.0/2	4/1/98	5/1/99	\$95,000	\$0	\$95,000	84	8.50%	12/1/2005	\$ 1,504.00	\$4,134.53 10/7/05	1) Senior security interest in business assets 2) 2nd deed of trust on residential real estate 3) \$95,000 EDI Loss Reserve	PAID IN FULL 10/05
		EDI Loss Reserve					\$95,000									
35	Brew's Vision Unlimited dba Brew's	Regular HUD 108	Default/ Foreclosure	3.0/0	6/15/00	6/29/00	\$95,000	\$95,000	\$0	84	8.50%	9/30/2007	\$ 1,463.00	\$1,478.64 5/4/03	1) First security interest in all business assets 2) \$28,640 EDI Loss Reserve	CAO is negotiating a settlement

**CITY OF OAKLAND COMMERCIAL LOAN PORTFOLIO  
BY LOAN AMOUNT  
6-15-07**

Borrower Name	Loan Type/ Program	Loan Status	Target Job Creation/ Actual Job Creation*	Approval Date	Initial Funding Date*	Total Amount Approved Loans / Grants / Loan Loss Reserves	Current Principal Outstanding	Total Principal Amount Paid	Term (in months)	Interest Rate	Maturity Date	Debt Service (Principal & Interest Only)	Amount/ Date Last Paid	Security Interest/ Collateral	Comments**
<b>Loans from \$1 - \$99,999 (cont'd)</b>															
36 Serendipity Chocolates	EECRFL-HUD 108	Current	2.57/0	3/27/06	3/27/06	\$75,000	\$60,631	\$14,369	60	6.00%	4/1/2011	\$1,449.96	\$1,464.49 5/1/07	3rd deed of trust on personal residence	Newly funded loan through OBDC. Loan is being paid as agreed.
37 MVP Sports	EECRFL-HUD 108	Paid in Full	2.1/2	10/4/05	10/4/05	\$75,000	\$0	\$75,000	60	7.50%	10/1/2010	\$1,502.85	\$76,212.80 4/17/06	2nd deed of trust on residential real estate	PAID IN FULL 4/06
38 FunBath Co	EECRFL-HUD 108	Current	3.0/4	8/11/00	9/29/00	\$90,000	\$13,468	\$76,532	84	8.50%	10/1/2007	\$ 1,464.00	\$1,478.64 6/4/07	1) First security interest in all business assets 2) \$28,640 EDI Loss Reserve	Loan is being paid as agreed.
						EDI Loss Reserve		\$28,640							
39a Allan's Ham and Bacon	EECRFL-HUD 108	Paid in Full	2.0/0	8/26/99	11/17/99	\$80,000	\$0	\$80,000	84	7.50%	12/1/2006	\$93,732.03 5/27/03	1) 3rd deed of trust on personal residence in the amount \$147,000. 2) 1st Security interest in all business assets	PAID IN FULL 5/03	
						EDI Loss Reserve		\$13,000							
39b		Partially Paid in Full	2.0/0	8/26/99	11/17/99	EDI Loan	\$12,659	\$54,341	84	3.50%	12/1/2006	\$15,340.91 1/6/05	\$13,000 EDI Loss Reserve	Borrower has partially paid-down loan. Remaining balance of \$12,659 is outstanding. Council has authorized designation of this loan as defaulted and the drawdown of Loan Loss Reserve Funds to cover future losses if needed. Prepared to offset losses.	
40 Ali About Hair	EECRFL-HUD 108	CAO/ Settlement	2.5/0	4/29/99	6/10/99	\$77,000	\$9,182	\$67,818	84	7.00%	12/1/2006	\$472.62 9/15/05	1st Security Interest in all business assets	Borrower filed BK 2/04. \$25,000 settlement amount Paid in Full 9/1/05. Debtor proposed to plan City \$10,000 after the BKY plan. CAO is assisting staff with collection of the agreed \$10,000.	
						EDI Loss Reserve		\$35,000							
41 Just Pet Me	ORA Broadway Corridor	Current	0/0	9/25/06	8/21/06	\$70,000	\$65,010	\$4,990	84	6.00%	9/1/2013	\$1,022.60	\$1,022.83 6/11/07	OBDC - Loan is being paid as agreed	OBDC - Loan is being paid as agreed
42 Food King Meats Property	EDA	Current	2.0/0	5/20/04	7/12/04	\$68,648	\$63,508	\$5,140	240	5.00%	8/1/2024	\$ 453.05	\$453.05 5/22/07	1) 2nd Deed of Trust on commercial property	OBDC - Loan is being paid as agreed
43 Flex Therapy & Fitness (formerly Work Rehab)	EECRFL-HUD 108	Current	2.0/5	11/5/99	7/25/00	\$65,000	\$12,472	\$52,528	84	7.00%	5/1/2008	\$ 981.02	\$990.83 6/7/07	1) UCC filing on equipment, fixtures, inventory 2) \$44,300 EDI Loss Reserve	Loan is being paid as agreed.
						EDI Loss Reserve		\$44,300							



**CITY OF OAKLAND COMMERCIAL LOAN PORTFOLIO  
BY LOAN AMOUNT  
6-15-07**

Borrower Name	Loan Type/ Program	Loan Status	Target Job Creation/ Actual Job Creation*	Approval Date	Initial Funding Date*	Total Amount Approved Loans / Grants / Loan Loss Reserve	Current Principal Outstanding	Total Principal Amount Paid	Term (In months)	Interest Rate	Maturity Date	Debt Service (Principal & Interest Only)	Amount/ Date Last Paid	Security Interest/ Collateral	Comments**
<b>Loans from \$1 - \$99,999 (cont'd)</b>															
44	Gazzali's Supermarket	EDA	Current	2.0/0		12/13/04	\$65,000	\$65,000	\$0	60	4.00%	12/1/2010	\$ 1,197.07	\$1,209.04 3/7/06	Repayment defaulted.
45	McNeill Manufacturing Inc.	EDA	Paid in Full	2.0/0	7/1/04	7/26/04	\$80,000	\$0	\$60,000	60	7.00%	8/1/2009	\$ 1,188.07	\$55,755.77 4/26/05	1) 1st priority UCC filing on business assets PAID IN FULL 04/05.
46	Playa Azul Restaurant	EEC/RLF-HUD 108	Current	1.5/0	5/4/05	5/16/05	\$60,000	\$46,564	\$13,436	84	6.00%	5/1/2012	\$ 876.51	\$876.51 6/10/07	Loan is being paid as agreed.
47	Uniforms of America		Closed			12/1/95	\$55,700	\$55,700	\$0						Uncollectible per CAO due to statute of limitations. Request authorization to write off.
48	T P School Supplies	EEC/RLF-HUD 108	Collections	2.0/0	8/25/98	12/23/98	\$55,000	\$27,312	\$27,688	84	8.00%	12/1/2006	\$964.33	\$52,041 7/05	1) Senior security interest in business assets 2) \$55,000 EDI Loss Reserve Loan paid down. Request authorization to write off.
		EDI Loss Reserve				\$55,000									
49	Wanda's Cofe Barista	EEC/RLF-HUD 108	Default	2.0/2	10/1/98	11/9/98	\$48,000	\$12,427	\$35,573	84	8.00%	2/1/2006	\$ 748.14	\$755.62 11/2/04	1) Security interest in business assets 2) \$30,000 EDI Loss Reserve Loan is in default. Staff is working with borrower to restructure loans to repay loan debt.
		EDI Loss Reserve				\$30,000									
50	Android Designs	EEC/RLF-HUD 108	Collections	1.5/0	10/14/98	4/1/99	\$47,500	\$33,956	\$13,544	94	8.00%	11/1/2006	\$761.00	3/1/00	1) Senior security interest in business assets, \$47,000 EDI 2) \$26,000 EDI Loss Reserve Referred to Collections. Borrower notified City of personal bankruptcy 05/00 which led to default on loan. \$14,000 received from seizure and sale of business assets. Due to one action rule, no further collection possible. Litigation file is closed. Council has authorized designation of this loan as defaulted and the drawdown of Loan Loss Reserve Funds to cover future losses if needed. Prepared to offset losses.
		EDI Loss Reserve				\$26,000									
51	Glacier Bay	EDA	Paid in Full	1.5/0	3/1/99		\$45,000	\$0	\$45,000	84	4.00%	3/1/2006	\$ 615.10	\$859.25 3/8/06	1) 3rd deed of trust on business real estate. 2) First security interest in all business assets PAID IN FULL 3/06
52	Stump & Sons	EDA	Current	2.0/0	3/23/04	4/14/04	\$35,000	\$17,067	\$17,933	60	6.00%	5/1/2009	\$ 676.65	\$683.42 2/2/07	1) Business assets. Loan is being paid as agreed
53a	Acapulco Records	EEC/RLF-HUD 108	Paid in Full	4.0/4	12/17/98		\$33,000	\$0	\$33,000	192	7.50%	6/30/2015	\$ 295.62	\$21,376.86 5/8/07	1) 2nd deed of trust on project real estate. PAID IN FULL 5/07
53b		EDI Loan	Paid in Full		12/17/98		\$33,000	\$0	\$33,000	192	3.00%	8/30/1900	\$ 240.80	\$20,976.53 5/8/07	2) 3rd deed of trust on project real estate. PAID IN FULL 5/07
53c		EDA	Paid in Full		12/17/98		\$33,000	\$0	\$33,000	240	4.00%	6/1/2015	\$ 199.97	\$23,178.58 5/8/07	3) 4th deed of trust on project real estate. PAID IN FULL 5/07

**CITY OF OAKLAND COMMERCIAL LOAN PORTFOLIO  
BY LOAN AMOUNT  
6-15-07**

Borrower Name	Loan Type/ Program	Loan Status	Target Job Creation/ Actual Job Creation*	Approval Date	Initial Funding Date*	Total Amount Approved Loans / Grants / Loan Loss Reserves	Current Principal Outstanding	Total Principal Amount Paid	Term (In months)	Interest Rate	Maturity Date	Debt Service (Principal & Interest Only)	Amount/ Date Last Paid	Security Interest/ Collateral	Comments**	
<b>Loans from \$1 - \$99,999 (cont'd)</b>																
54	Simco Construction	EEC/RLF-HUD 108	Paid in Full	1.0/0	8/7/03	10/15/03	\$30,000	\$0	\$30,000	60	10.50%	11/1/2008	\$ 644.82	\$26,654.31 8/2/04	1) Business assets	PAID IN FULL 8/04
55	Steel City Gym	EEC/RLF-HUD 108	Collections / Settlement Offer Pending	1.0/0	11/1/99	11/8/99	\$25,000	\$12,607	\$12,393	84	7.50%	1/1/2007	\$ 386.46	\$11,791.07 6/29/06	1) Senior security interest in business assets 2) \$10,900 EDI Loss Reserve	Settlement offer in the amount of \$11,791 received 6/29/06.
		EDI Loss Reserve				\$10,900										
56	Black-N-Style	EEC/RLF-HUD 108	Collections	1.0/0	5/17/98 Date of Note	5/13/98	\$20,000	\$18,109	\$1,891	81	7.50%	3/1/2006	\$ 315.42	\$1,000.00 7/27/00	1) 1st security interest in business assets 2) \$15,000 EDI Loss Reserve	Court judgment obtained June 2001. Judgment obtained in the amount of \$19,359. Council has authorized designation of this loan as defaulted and the drawdown of Loan Loss Reserve Funds to cover future losses if needed. CAO has transferred to the Collection Unit (Finance Agency) to attain funds. Prepared to offset losses
57	Big "O" Tires	CIRL	Paid in Full	N/A	4/1/81 Com Date		\$10,000	\$0	\$10,000	300	6.50%	3/1/2006	\$ 65.00	\$1,414.50 10/17/03	1) 2nd deed of trust on personal residence 2) UCC filing equipment & fixtures	PAID IN FULL 10/03
58	Day's Publication	Micro Loan	Paid in Full	N/A	10/1/94		\$10,000	\$0	\$10,000	88	10.25%	10/1/2007	\$ 100.00	\$436.04 6/12/07		PAID IN FULL 6/07
59	Just for You Janitorial	Micro Loan	Collections	N/A		1/19/95	\$10,000	\$10,000	\$0	48	10.50%	4/1/1995				Judgment 6/2001. Request authorization to write off.
60	Piazza Pizzeria	Micro Loan	Collections	N/A			\$10,000	\$10,000	\$0	36	10.50%	7/18/1998				The borrower filed Chapt. 7 and the BK court discharged the City of Oakland debt. Litigation was dismissed by CAO (COOK) Request authorization to write off.
61	R & D Barbecue	Micro Loan	Collections	N/A			\$10,000	\$7,905	\$2,095	48	10.50%	11/1/1996				Judgment 6/2001. Request authorization to write off.
62	Victor's Café	Micro Loan	Collections	N/A			\$10,000	\$9,742	\$258	60	9.50%	2/1/1995				BK (7) 11/01. COA stated BK court estimated zero assets in 3/15/02 letter and was recommending total litigation. No final conclusion obtained. Request authorization to write off.
63	Breahn Construction	Micro Loan	Collections	N/A			\$10,000	\$10,000	\$0	6	10.50%	7/31/1995				Uncollectible per CAO due to statutes of limitations. Request authorization to write off

**SUMMARY OF TOTAL LOANS COLLECTED  
BETWEEN 2000 - CURRENT  
06-15-07**

Date Loan Paid Off	Loan Type	Original Loan Amount	Total Payoff Amount *
<b>BROADWAY CORRIDOR</b>			
12/20/00	Your Black Muslim Bakery	\$ 30,000.00	\$ 25,806.17
12/29/00	Fashion Store Purchasing	200,000.00	205,670.00
03/01/02	Genji Restaurant	49,500.00	47,876.71
06/01/02	A Stitch in Time	41,000.00	21,888.11
07/11/03	Select Communications	100,000.00	103,944.73
06/19/04	Lamumba Corp. dba Geoffrey's	271,200.00	223,305.80
05/01/07	Tri Dot Enterprises dba Domino's Pizza	125,000.00	113,551.92
	<b>Sub-Total - Broadway Corridor</b>	<b>\$ 816,700.00</b>	<b>\$ 742,043.44</b>
<b>EEC/RLF HUD 108</b>			
10/04/00	Gregory Truck Body (Flagship)	\$ 350,000.00	\$ 190,151.67
12/18/00	Android Designs	47,500.00	10,709.00
07/13/01	Eastmont Town Center	3,700,000.00	4,088,210.89
02/05/03	Carter Brown Catering I	49,500.00	39,842.24
02/05/03	Carter Brown Catering II	55,000.00	53,823.89
04/17/03	Joseph Company (The)	33,000.00	28,964.92
08/14/03	General Nutrition Center	156,000.00	137,998.56
05/28/04	Allan's Ham & Bacon	80,000.00	93,732.03
07/22/04	Print Shop (The)	150,000.00	111,840.77
08/02/04	Simco Construction	30,000.00	26,654.31
11/23/04	Athlete's Foot (The)	150,000.00	156,695.81
04/28/05	Upland Sports	99,900.00	23,008.04
08/11/05	T P School Supplies	55,000.00	52,040.78
10/27/05	La Loma Medical Center	95,000.00	4,134.53
12/09/05	3Js & BH Enterprises (Flagship)	250,000.00	384,614.54
04/12/06	MVP Sports & Recreation	75,000.00	76,212.80
06/29/06	Steel City Gym	25,000.00	11,791.07
10/13/06	Sunrise Specialty Co.	400,000.00	341,292.99
12/14/06	United Market	145,000.00	24,931.39
04/20/07	Niman Ranch Properties	600,000.00	431,523.70
05/08/07	Acapulco Records	33,000.00	21,393.80
06/18/07	Pill Hill Printing	120,000.00	160,309.14
	<b>Sub-Total - EEC/RLF HUD 108</b>	<b>\$ 6,698,900.00</b>	<b>\$ 6,469,876.87</b>
<b>REGULAR HUD 108</b>			
10/04/00	Gregory Truck Body (Reg HUD 108)	\$ 150,000.00	\$ 215,870.90
11/09/00	Cypress Property Ltd. Partnership	500,000.00	10,155.54
11/17/00	Granny Goose	1,800,000.00	2,354,847.98
12/13/00	L. Sausa & M. McCracken	120,000.00	109,391.23
02/07/01	L. Sausa & M. McCracken	-	6,528.00
10/12/03	Negherbon Auto Center	-	97,917.55
12/23/03	Negherbon Auto Center	1,000,000.00	986,570.73
11/15/04	Mitchell, Kenneth (Stone's One Easy Shop)	205,000.00	230,370.17
06/07/05	Lake Merritt Hotel Associates	800,000.00	756,567.39
	<b>Sub-Total - Regular HUD 108</b>	<b>\$ 4,575,000.00</b>	<b>\$ 4,768,219.49</b>

**SUMMARY OF TOTAL LOANS COLLECTED  
BETWEEN 2000 - CURRENT  
06-15-07**

<b>Date Loan Paid Off</b>	<b>Loan Type</b>	<b>Original Loan Amount</b>	<b>Total Payoff Amount *</b>
	<b>ECON. DEV. ADMIN. (EDA)</b>		
04/17/03	Joseph Co. (The)	\$ 33,000.00	\$ 28,186.05
04/26/05	McNeill Manufacturing	60,000.00	55,755.77
03/08/06	Glacier Bay	45,000.00	859.10
05/08/07	Acapulco Records	33,000.00	23,188.72
6/14/2007	J. Malnick	99,500.00	78,169.37
	Sub-Total - EDA	\$ 270,500.00	\$ 186,159.01
	<b>ECON. DEV. INITIATIVE (EEC/RLF EDI)</b>		
03/07/03	Joseph Co. (The)	\$ 33,000.00	\$ 28,347.40
01/06/05	Allan's Ham & Bacon	67,000.00	15,340.91
10/13/06	Sunrise Specialty Co.	396,034.00	306,132.97
12/14/06	United Market	105,000.00	3,816.30
04/20/07	Niman-McConnell, LLC	600,000.00	383,178.14
05/08/07	Acapulco Records	33,000.00	20,983.42
	Sub-Total - EEC/RLF EDI	\$ 1,234,034.00	\$ 757,799.14
	<b>OAKLAND REDEVELOPMENT AGENCY (ORA)</b>		
06/01/03	Women's Economic Agenda Project	\$ 2,100,000.00	\$ 2,958,963.33
	Sub-Total - ORA	\$ 2,100,000.00	\$ 2,958,963.33
	<b>SBA LOAN, MICRO LOAN &amp; COMM. INDUS. REHAB. LOAN (CIRL)</b>		
10/17/03	Big O' Tires	\$ 10,000.00	\$ 1,414.50
01/28/04	Los Medanos Fund	12,500.00	1,800.91
06/12/07	Day's Publication (Micro)	10,000.00	436.04
	Sub-Total - SBA, Micro & CIRL Loans	\$ 32,500.00	\$ 3,651.45
	<b>TOTALS</b>	<b>\$ 15,727,634.00</b>	<b>\$ 15,886,712.73</b>

\* This amount does NOT include principal & interest repayments that were paid during the terms of the loans.

Revised 6-18-07

## CITY OF OAKLAND

COMMERCIAL LOAN PORTFOLIO SUMMARY  
CURRENT VS. DELINQUENT/DEFAULTED

CURRENT ACCOUNTS		DELINQUENT/DEFAULTED ACCOUNTS			
Borrower	Loan Amount	Borrower	Loan Amount	Collection Initiated	Collection Action
1 Fruitvale Development Corporation	\$3,187,500	1 Just Real Estate, LLC	\$1,450,000	Y	Collections
2 Jack London (Acorn) Gateway	\$1,940,883	2 EMHS	\$1,100,000	Y	Collections/ Judgment '01
3 Negherbon Auto Center	\$1,000,000	3 Gregory Truck Body	\$189,246	Y	Collections
4 Lake Merritt Hotel Associates	\$800,000	4a 3J's & BH Enterprises \$250,000	\$0		Paid in Full
5 Sunrise Specialty	\$796,034	4b 3J's & BH Enterprises	\$61,693	Y	Collections
6 Connell Auto Center	\$646,089	5 Blackboard Entertainment	\$212,095	Y	Settlement/Closed
7 Niman Ranch Properties	\$600,000	6 United Market \$55,038	\$0		Paid in Full
8 Niman McConnell	\$600,000	7 Pill Hill Printng	\$234,567	Y	Collections
9 Lamumba Corp. dba Geoffrey's Inner	\$271,200	8 Technical Leasing	\$240,000	Y	Collections
10 Ahmed Dobashi dba Kwikway Laundry	\$218,020	9 Comet Skateboards \$225,000	\$142,596	Y	Collections
11 Gill Electric	\$221,348	10 Ken Mitchell \$205,000	\$0		Paid in Full
12 Moler Barber College	\$120,028	11 Athlete's Foot \$150,000	\$0		Paid in Full
13 Tri Dot Enter. dba Domino's Pizza	\$125,000	12 Carrie's Landing	\$150,000	Y	Closed
14 Frankie's Inc. dba It's a Grind	\$71,265	13 Mercury Computer Corp.	\$100,000	Y	Collections
15 Upland Sports Group	\$99,900	14 Just Dessert, Inc.	\$98,348	Y	Litigation
16 Luka's LLC	\$160,260	15 J. Malnick \$99,500	\$0		Paid in Full
17 Acapulco Records	\$99,000	16 Brew's Vision Unlimited	\$95,000	Y	Settlement

**COMMERCIAL LOAN PORTFOLIO SUMMARY**  
**CURRENT VS. DELINQUENT/DEFAULTED**

CURRENT ACCOUNTS		DELINQUENT/DEFAULTED ACCOUNTS			
Borrower	Loan Amount	Borrower	Loan Amount	Collection Initiated	Collection Action
18 La Loma Medical Center	\$95,000	17 All About Hair	\$9,182	Y	Closed
19 FunBath Co.	\$13,468	18 Uniforms of America	\$55,700	Y	Collections/ Judgment '01
20 MVP Sports & Recreation	\$90,000	19 TP School Supplies	\$27,312	Y	Paid-Down
21 Serendipity Chocolates	\$60,631	20 Wanda's Cofe Barista	\$12,427	Y	Collections
22 Food King Meats Property	\$63,508	21 Android Designs	\$33,956	Y	Partially Paid Off
23 Gazzalli's Supermarket	\$65,000	22 General Nutrition Center	\$30,000	Y	Paid-Down
24 Flex Therapy & Fitness	\$12,472	23 Allan's Ham & Bacon	\$28,000	Y	Paid-Down
25 Playa Azul Restaurant	\$46,564	24 Print Shop	\$28,000	Y	Paid-Down
26 McNeill Manufacturing Inc.	\$60,000	25 Steel City Gym \$25,000	\$12,607	Y	Paid-Down
27 Glacier Bay	\$45,000	26 Black-N-Style	\$18,109	Y	Collections/ Judgment
28 Stump & Sons	\$17,067	27 Breahn Construction \$10,000	\$10,000	Y	Collections/ Collections/ Judgment
29 Simco Construction	\$30,000	28 Piazza Pizzeria \$10,000	\$10,000	Y	Judgment
30 Los Medanos Fund	\$12,500	29 Just for You Janitorial \$10,000	\$10,000	Y	Collections/ Judgment '01
31 Big O Tires	\$10,000	30 Victor's Café \$9,742	\$9,742	Y	Collections/ Judgment '01
32 Day's Publications	\$10,000	31 R & D Barbecue	\$7,905	Y	
<b>Total Principal Value</b>	<b>\$11,587,738</b>	<b>Total Principal Value</b>	<b>\$4,376,485</b>		
Percent Current of \$ Loaned	72.6%	Percent Defaulted of \$ Loaned	27.4%		

## CITY OF OAKLAND

July 2006 - June 2007

COMMERCIAL LOAN PORTFOLIO SUMMARY  
PAID OFF LOANS

CURRENT ACCOUNTS		DELINQUENT/DEFAULTED ACCOUNTS			
Borrower/Loan Type	Payoff Amount	Borrower/Loan Type	Payoff Amount	Collection Action Concluded	Final Disposition
1 Sunrise Specialty-EEC	\$341,293	1 Steel City Gym-EEC	\$11,791	N	
2 Acapulco Records-EEC	\$21,394	2 United Market-EEC	\$24,931		Y
3 Acapulco Records-EDA	\$21,189	3 United Market-EDI	\$3,816		Y
4 Sunrise Specialty-EDI	\$306,133	4 Niman Ranch Prop,-EEC	\$431,524		Y
5 Acapulco Records-EDI	\$20,983	5 Niman-McConnell-EDI	\$383,178		Y
6 Days Publication-Micro	\$436	6 Pill Hill Printing-EEC	\$160,309		Y
7 J. Malnick- EDA	\$78,169				
<b>TOTAL REPAID</b>	<b>\$789,597</b>	<b>TOTAL RECOVERED</b>	<b>\$ 1,015,550</b>		

## CITY OF OAKLAND

July 2006 - June 2007

COMMERCIAL LOAN PORTFOLIO SUMMARY  
PAID OFF LOANS

CURRENT ACCOUNTS		DELINQUENT/DEFAULTED ACCOUNTS			
Borrower/Loan Type	Payoff Amount	Borrower/Loan Type	Payoff Amount	Collection Action Concluded	Final Disposition
1 Sunrise Specialty-EEC	\$341,293	1 Steel City Gym-EEC	\$11,791	N	
2 Acapulco Records-EEC	\$21,394	2 United Market-EEC	\$24,931		Y
3 Acapulco Records-EDA	\$21,189	3 United Market-EDI	\$3,816		Y
4 Sunrise Specialty-EDI	\$306,133	4 Niman Ranch Prop,-EEC	\$431,524		Y
5 Acapulco Records-EDI	\$20,983	5 Niman-McConnell-EDI	\$383,178		Y
6 Days Publication-Micro	\$436	6 Pill Hill Printing-EEC	\$160,309		Y
7 J. Malnick- EDA	\$78,169				
<b>TOTAL REPAID</b>	<b>\$789,597</b>	<b>TOTAL RECOVERED</b>	<b>\$ 1,015,550</b>		