

The Intersection of Business, Investment, and Opportunity

Next Street Financial LLC is a merchant bank founded to serve high-performing, high-potential inner city small businesses and entrepreneurs across the U.S. Next Street selects businesses that are poised for growth and, in the context of a long-term trusted advisor relationship, provides them with flexible financing and Wall Street-quality advice to ensure they achieve their full potential.

Leveraging a Unique Convergence

Small businesses in our inner cities form a large – and growing – market of attractive opportunities. Despite impressive performance and high potential, inner city small businesses have historically been underserved by banks and other traditional financial service providers. They face structural barriers to accessing the financing they need to support their growth.

Extensive proprietary and third-party research highlights three distinct market factors that are converging to shape this picture into a unique opportunity.



A unique player with an innovative model

Unlimited by the constraints of commercial banking, Next Street capitalizes on the substantial unmet needs created by the gaps and inefficiencies in urban small business lending and investment. Next Street enters this market as a unique player, with an innovative financial services model. No other financial services provider operates in this space in this way.

Access to capital

Next Street provides inner city small businesses with access to a range of flexible, creative financing.

Wall Street-quality advice

Next Street transfers Wall Street-quality expertise and experience to the inner city small business market.

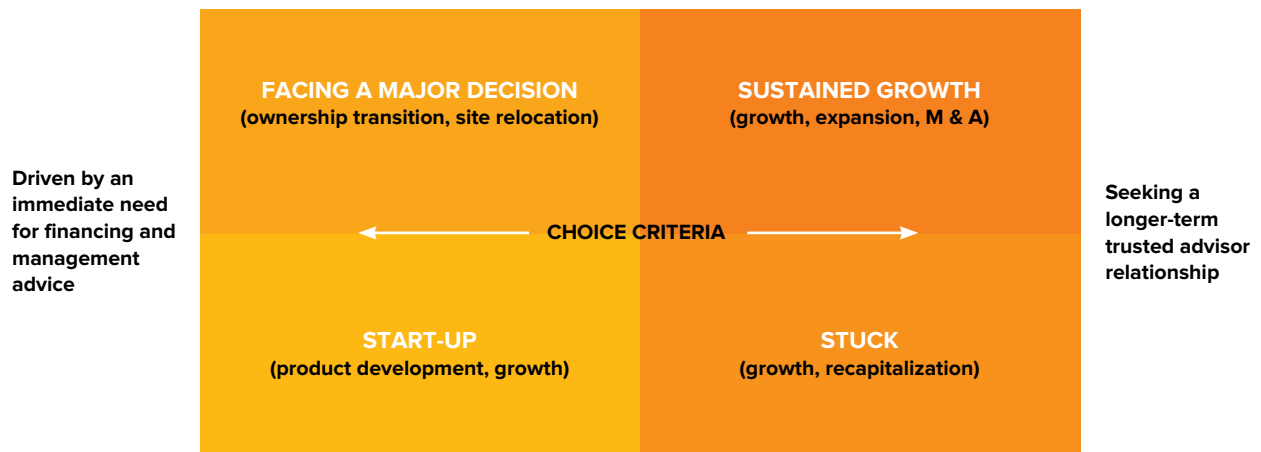
Trusted advisor

As a trusted advisor, Next Street provides hands-on support and guidance to its portfolio companies throughout each company's lifespan.

Next Street companies and the small business life cycle

Next Street focuses on businesses and markets that have been poorly served by traditional sources of capital and that offer attractive opportunities due in part to their location, size and demographic trends.

Next Street selects high-performing companies with a strong desire to grow. We look for small businesses with revenues between \$1 million and \$100 million, with a 'sweet spot' of revenues from \$5 million to \$25 million. The average operating history is 15 years.



A highly scalable model

The Next Street business model is highly scalable and combines decentralized direct origination by experienced professionals with a single credit committee and centralized back office infrastructure. Next Street builds long-term relationships with its client companies on two interlocking platforms: access to capital and Wall Street-quality financial and management advice.

Access to Capital

Next Street's provides a range of customized financing options:

- > Working capital and lines of credit
- > Term loans, including project finance
- > Real estate loans
- > Mezzanine and structured finance
- > Equity

Wall Street-Quality Advice

Next Street's management advisory services include:

- > Business planning
- > Corporate finance advice
- > Mergers and acquisitions advice
- > Project management
- > Organizational development
- > Implementation management

The Next Street Team

Next Street grew out of a relationship between Tim Ferguson, Putnam Investments' former head of investments, and Ron Walker, the EVP of retail banking at Sovereign Bank. They teamed up after experiencing firsthand the unmet need in financing inner city businesses. Together, they recognized an opportunity whose time has come.

Founded and headquartered in Boston, the Next Street team comprises industry professionals with broad expertise in commercial banking, investment banking, and advisory services. Team members have working knowledge of the target market and well-established track records in building and managing financial services businesses of all types and sizes. With critical access to proprietary deal flow, Next Street maintains an active pipeline of prospects and secondary growth opportunities.

Beyond Wall Street. Next Street.