

--- PROGRAM COMPOSITION ---

	FY End 2013	FY End 2014	FY End 2015	FY End 2016	As of 12/31/16
--- Program Composition of Operating SBICs ---					
Total Number of Licensees	292	294	303	313	310
Debenture	175	187	205	216	216
Participating Security	63	53	46	41	41
Bank-Owned/Non-Leveraged	43	45	43	47	44
Specialized SBICs	11	9	9	9	9

--- Private Capital of Operating SBICs by Fund Type (\$ in millions) ---

a. Regulatory Private Capital	\$10,333.2	\$11,789.5	\$12,994.9	\$14,115.3	\$14,058.7
Debenture	7,504.4	8,923.4	10,414.2	11,357.7	11,359.1
Participating Security	1,316.2	1,096.1	887.8	716.8	707.5
Other	1,512.6	1,770.1	1,693.0	2,040.8	1,992.2
b. Leveragable Private Capital	\$6,416.5	\$7,070.2	\$7,930.5	\$8,897.1	\$9,037.1
Debenture	4,467.6	5,292.8	6,413.4	7,309.8	7,469.1
Participating Security	1,079.2	874.8	684.7	571.7	562.5
Other	869.7	902.6	832.4	1,015.5	1,005.4
c. Unfunded Private Commitments	\$3,916.7	\$4,719.3	\$5,064.4	\$5,218.2	\$5,021.6
Debenture	3,036.9	3,630.6	4,000.8	4,047.9	3,889.9
Participating Security	237.0	221.3	203.1	145.0	145.0
Other	642.8	867.4	860.6	1,025.3	986.7

--- Leverage from SBA of Operating SBICs by Fund Type (\$ in millions) ---

The FY End 2016 Outstanding SBA Leverage figures will be revised after the reconciliation with the LAS system is completed.

d. SBA Capital at Risk (e+f)	\$9,483.7	\$10,947.1	\$12,351.2	\$13,715.1	\$14,274.0
Debenture	8,400.3	10,211.9	11,883.6	13,374.7	13,956.6
Participating Security	1,019.7	693.2	392.6	249.5	226.5
Other	63.8	42.0	75.0	90.9	90.9
e. Outstanding SBA Leverage	\$6,950.6	\$7,921.4	\$9,157.2	\$10,348.8	\$10,801.1
Debenture	5,919.4	7,209.9	8,712.0	10,029.2	10,499.6
Participating Security	1,002.2	681.2	384.6	244.6	226.5
Other	29.0	30.3	60.6	75.0	75.0
f. Outstanding SBA Commitments	\$2,533.2	\$3,025.7	\$3,194.0	\$3,366.3	\$3,472.9
Debenture	2,480.9	3,002.0	3,171.6	3,345.5	3,457.0
Participating Security	17.4	12.0	8.0	4.9	0.0
Other	34.9	11.7	14.4	15.9	15.9
g. Unreimbursed Prioritized Payments	\$238.3	\$201.7	\$142.2	\$113.1	\$105.1

--- Combined Private Capital and SBA Capital at Risk of Operating SBICs (\$ in millions) ---

h. Total Capital at Risk (a+d)	\$19,816.9	\$22,736.6	\$25,346.1	\$27,830.3	\$28,332.7
Debenture	15,904.7	19,135.2	22,297.8	24,732.4	25,315.7
Participating Security	2,335.8	1,789.3	1,280.4	966.2	934.0
Other	1,576.4	1,812.1	1,768.0	2,131.7	2,083.1

--- Program Composition in Liquidation (\$ in Millions) ---

Total Number of Licensees	123	121	115	104	103
Participating Security	84	83	81	76	75
Other	39	38	34	28	28
Leverage Balance	\$1,354.2	\$1,137.6	\$959.2	\$810.6	\$796.0
Participating Security	1,011.1	785.2	697.5	571.2	555.9
Other	343.1	352.4	261.7	239.4	240.1

--- Program Funding (\$ in millions) ---

Debenture Authorization (\$ in Millions)	\$3,000.0	\$4,000.0	\$4,000.0	\$4,000.0	\$4,000.0
Annual Charge	0.760%	0.355%	0.742%	0.672%	0.347%
Average Debenture Pooled Interest Rate	2.83%	3.10%	2.68%	2.29%	n/a

--- ECONOMIC IMPACT: SBIC FINANCINGS TO SMALL BUSINESS REPORTED * ---

	FY End 2013	FY End 2014	FY End 2015	FY End 2016	As of 12/31/16	Chg. from 12/31/15
--- Total SBIC Program ---						
Financing Amount Reported (\$ in millions)	\$3,498.3	\$5,464.6	\$6,285.5	\$5,991.7	\$1,505.3	0%
Type of Financing (\$ in millions)						
Straight Debt	2,095.7	3,478.5	3,810.5	3,791.7	955.1	(5%)
Debt with Equity Features	834.1	1,030.4	1,351.2	1,157.9	196.2	(19%)
Equity Only	568.5	955.6	1,124.8	1,042.9	354.0	38%
Number of Companies Financed	1,068	1,085	1,210	1201	357	(6%)
Special Competitive Opportunity Gap	260	281	288	332	97	20%
Businesses Located in LMI Areas*	213	229	229	284	77	13%
Women, Minority, Veteran Owned*	67	70	73	61	28	56%
Number of Jobs Created or Sustained**	73,585	113,022	129,749	122,382	30,745	(2%)
--- Debenture SBICs ---						
Financing Amount Reported (\$ in millions)	\$3,256.3	\$5,217.5	\$5,939.6	\$5,653.8	\$1,420.1	(3%)
Type of Financing (\$ in millions)						
Straight Debt	2,042.4	3,418.1	3,701.8	3,665.5	933.0	(6%)
Debt with Equity Features	794.6	978.6	1,265.9	1,110.6	185.8	(17%)
Equity Only	419.3	820.9	971.9	877.7	301.2	26%
Number of Companies Financed	856	908	1,010	986	302	(8%)
Special Competitive Opportunity Gap	206	232	226	260	80	25%
Businesses Located in LMI Areas*	170	191	182	232	65	16%
Women, Minority, Veteran Owned*	51	56	51	35	20	82%
Number of Jobs Created or Sustained**	68,493	107,913	122,608	115,481	29,006	(4%)
--- Non-Leveraged, Bank-Owned, and Specialized SBICs ---						
Financing Amount Reported (\$ in millions)	\$166.1	\$195.7	\$300.1	\$307.0	\$79.7	99%
Type of Financing (\$ in millions)						
Straight Debt	38.4	51.3	98.8	116.5	18.7	58%
Debt with Equity Features	18.3	41.5	72.6	38.2	10.0	(34%)
Equity Only	109.4	102.9	128.8	152.3	51.0	295%
Number of Companies Financed	110	102	147	203	54	54%
Special Competitive Opportunity Gap	35	36	48	70	20	43%
Businesses Located in LMI Areas*	27	24	34	50	15	67%
Women, Minority, Veteran Owned*	13	15	21	26	8	14%
Number of Jobs Created or Sustained**	3,495	4,047	6,196	6,271	1,628	96%
--- Participating Security SBICs ---						
Financing Amount Reported (\$ in millions)	\$75.9	\$51.3	\$45.8	\$30.9	\$5.5	(41%)
Type of Financing (\$ in millions)						
Straight Debt	14.9	9.1	9.9	9.7	3.3	0%
Debt with Equity Features	21.2	10.4	12.8	8.3	0.3	(80%)
Equity Only	39.8	31.8	24.1	12.9	1.8	(60%)
Number of Companies Financed	125	93	53	40	13	(24%)
Special Competitive Opportunity Gap	24	16	14	9	3	(25%)
Businesses Located in LMI Areas*	21	16	13	9	3	(25%)
Women, Minority, Veteran Owned*	3	0	1	0	0	0%
Number of Jobs Created or Sustained**	1,597	1,062	945	630	111	(42%)

* The Office of Investment and Innovation reports financing information based on data collected on the SBA Form 1031. Information is aggregated, by fiscal year, based on the date of the submission of the form and not on the date of the financing to the small business.

** SBA estimates jobs created or sustained using "The 1999 Arizona Venture Capital Impact Study" (confirmed by the DRI-WEFA study of 2001) indicating that 1 job is created for every \$36,000 of SBIC Program investment (adjusted for inflation).

Information developed and maintained by the Office of the Business Operations Officer, Office of Investment and Innovation

--- PROGRAM OFFICE ACTIVITIES ---

	FY End 2013	FY End 2014	FY End 2015	FY End 2016	As of 12/31/16	Chg. from 12/31/15
--- New Licensees ---						
New Licensees by Fund Type	34	30	25	21	0	(100%)
Debenture	29	24	22	17	0	(100%)
Bank-Owned/Non-Leveraged	5	6	3	4	0	0%
Initial Private Capital (\$ in millions)	\$1259.0	\$1,319.0	\$1,236.4	\$1,188.0	\$0.0	(100%)
Debenture	1,111.5	1,131.2	1,204.1	893.0	0.0	(100%)
Bank-Owned/Non-Leveraged	147.4	187.8	32.3	295.0	0.0	0%

--- Licensing Pipeline* ---						
Total in Pipeline	51	43	37	50	59	64%
In Applicant Review/Program Development	12	9	13	21	21	75%
In Capital Raising	20	17	14	21	25	79%
In Licensing	19	17	10	8	13	30%

--- Program Development and Licensing Activity** ---

Applicant Initial Review/Program Development

Received during FY	75	45	48	57	19	46%
1st Time SBIC Applicants	59	35	24	30	9	(10%)
Subsequent Fund Applicants	16	10	24	27	10	233%
Processed in FY	74	48	44	49	17	89%
Green Light Letters Issued	34	28	25	32	12	140%
<i>% of Processed Receiving Green Light</i>	<i>46%</i>	<i>58%</i>	<i>57%</i>	<i>65%</i>	<i>71%</i>	<i>27%</i>
1st Time SBIC Applicants	21	17	11	10	6	500%
Subsequent Fund Applicants	13	11	14	22	6	50%
Number Denied -- 1st Time and Subsequent	34	15	17	14	4	33%
Number Withdrawn -- 1st Time and Subsequent	6	5	2	3	1	0%

Raising Capital in Process

Green Light Letters Expired	8	7	10	0	0	0%
Licensing Applications Submitted	44	32	25	24	6	100%
Total in the Capital Raising Process	52	39	35	24	6	100%
<i>% in Capital Raising Submitting Applications</i>	<i>85%</i>	<i>82%</i>	<i>71%</i>	<i>100%</i>	<i>100%</i>	<i>0%</i>

Licensing

Received during FY	44	32	25	24	6	100%
1st Time SBIC Applicants	28	13	15	2	2	100%
Subsequent Fund Applicants	16	19	10	22	4	33%
Otherwise Resolved During FY	5	4	7	5	0	(100%)
FY Number of New Licensees	34	30	25	21	0	(100%)
1st Time SBIC Applicants	15	18	12	13	0	(100%)
Subsequent Fund Applicants	19	12	13	8	0	0%
Average Months to Process	6.8	7.4	8.4	6.0	0	(100%)
<i>% Completed in Goal (6 months)</i>	<i>50%</i>	<i>37%</i>	<i>36%</i>	<i>62%</i>	<i>0%</i>	<i>0%</i>

* The Office of Investment and Innovation re-evaluated the data collection in the Office of Program Development. Consequently, the content of Licensing Pipeline, for previous years, was updated and therefore may not be consistent with previously issued Program Overview reports.

** The Office of Investment and Innovation identified several historical discrepancies in data. Consequently, the content of Program Development and Licensing Activity, for previous years, was updated and therefore may not be consistent with previously issued Program Overview reports.

--- PROGRAM OFFICE ACTIVITIES ---

	FY End 2013	FY End 2014	FY End 2015	FY End 2016	As of 12/31/16	Chg. from 12/31/15
--- Leverage Activities in Operations ---						
Debenture Leverage						
Commitments Issued	\$2,155.7	\$2,548.9	\$2,553.0	\$2,514.3	\$762.1	12%
Draws	\$1,737.0	\$2,064.6	\$2,337.4	\$2,157.6	\$517.7	(9%)
Redemptions (Pre-Paid and at Maturity)	\$567.1	\$660.8	\$806.1	\$807.8	\$35.6	100%
Transfers to Liquidation	\$118.8	\$127.8	\$26.5	\$38.6	\$0.0	0%
<i>% of Beginning Leverage Transferred</i>	2%	2%	<1%	<1%	0%	0%
Participating Securities Leverage						
Prioritized Payments (PP) Advanced	\$66.2	\$43.9	\$28.4	\$15.5	\$2.9	(35%)
SBA Distributions	\$292.8	\$264.3	\$201.6	\$137.4	\$29.6	54%
Prioritized Payments	\$52.9	\$37.0	\$24.8	\$13.1	\$0.0	(100%)
Adjustments and Annual Fees	\$18.8	\$10.2	\$3.7	\$4.0	\$0.0	(100%)
Profit Participation	\$23.6	\$11.1	\$13.3	\$5.1	\$6.7	205%
PS Redemptions--Operating SBICs	\$197.5	\$206.1	\$159.8	\$115.2	\$23.0	43%
Transfers to Liquidation	\$296.9	\$129.3	\$109.2	\$22.8	\$0.0	0%
<i>% of Beginning Leverage Transferred</i>	21%	14%	18%	7%	0%	0%
Prioritized Payments at Transfer	\$119.1	\$49.7	\$42.8	\$11.1	\$0	0%
--- SBIC Examination Activities ---						
Exam Reports Issued	244	200	222	186	14	(42%)
Exam Cycle (months)	12.4	12.7	12.7	13.0	15.4	18%
<i>% of Reports with Findings</i>	17%	11%	19%	19%	14%	(18%)
Licensees with Leverage	206	163	173	137	5	(62%)
Exam Cycle (months)	11.6	11.5	11.2	11.5	10.8	5%
<i>% of Reports with Findings</i>	15%	9%	21%	19%	20%	(13%)
Licensees without Leverage	38	37	49	49	9	(18%)
Exam Cycle (months)	16.5	18.2	18.1	17.1	18.0	10%
<i>% of Reports with Findings</i>	26%	19%	8%	18%	11%	22%
--- Surrenders and Transfers to Liquidation ---						
SBIC License Surrenders	27	18	13	7	3	(25%)
Debenture	9	9	4	3	0	(100%)
Participating Security	11	3	4	4	0	(100%)
Bank-Owned/Non-Leveraged	6	5	5	0	3	100%
Specialized SBICs	1	1	0	0	0	0%
SBIC Licensee Transfers to Liquidation	16	11	3	2	0	0%
Debenture and Specialized SBICs	4	4	0	1	0	0%
Participating Security	12	7	3	1	0	0%
--- Activities in the Office of Liquidation ---						
Participating Security Leverage				Draft	Draft	
Total Leverage Collections	\$227.0	\$273.3	\$170.7	\$97.9	\$16.0	129%
<i>Collections as % of Beginning Leverage</i>	20%	27%	22%	14%	3%	200%
Leverage Write-offs	\$178.2	\$87.7	\$34.4	\$53.1	\$0.6	(74%)
Prioritized Payments Collections	\$7.1	\$0.8	\$14.1	\$2.7	\$0	(100%)
Prioritized Payments Write-offs	\$106.6	\$20.7	\$55.9	\$15.1	\$0	(100%)
Debenture Leverage						
Total Leverage Collections	\$39.7	\$77.3	\$83.6	\$55.6	\$0	(100%)
<i>Collections as % of Beginning Leverage</i>	13%	23%	24%	21%	0%	(100%)
Leverage Write-offs	\$47.9	\$42.2	\$36.0	\$5.5	\$0.1	(108%)