

Las Cruces company grows with help from partnership loan

Written by By Taura Costidis and Sandy Nelson for Finance New Mexico
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Casey Roberts earned an MBA at the same time he was learning the family trade: welding. Today, the Las Cruces man and his wife, Chancee, own Mesilla Valley Metals, a manufacturer of pipes, structural steel, farm implements and custom-ordered metal products.

“My family has always been in the welding business,” Roberts said. “My dad was a rig welder in Farmington, where my uncle on my mom’s side owns a big fabrication shop. I always enjoyed making something and seeing results at the end of the day.”

As a welder, Roberts worked with metal all the time. In Aug. 2011, he decided to start a business selling the raw materials of his trade. At first, Mesilla Valley Metals operated from a rented building, but three years later the business needed more room for semitrailers to maneuver.

The couple found a larger facility on Lakeside Drive with office space, a fully tooled fabrication shop that would allow Roberts to expand the company’s welding capabilities and an exterior yard for storage.

Roberts went to First American Bank to apply for a loan. The bank referred him to Don Panagrossi, a loan officer at the Southern New Mexico office of Enchantment Land Certified Development Company (ELCDC), a nonprofit that provides business financing through the U.S. Small Business Administration’s 504 loan program.

ELCDC partners with local community banks to provide up to 90 percent financing at below-market, fixed interest rates. Panagrossi credits First American Bank with a spirit of

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partnership that has led to a close working relationship that benefits clients. ELCDC financed Roberts' purchase in May 2014, and the company moved into its new home.

"In three years, he needed more room again," Panagrossi said.

An abutting 4-acre property was available, and it had a warehouse large enough for the company to store rust-vulnerable ornamental steel indoors and have more raw materials on hand.

Having determined that he had to buy the property by Dec. 31, 2016, Roberts returned to ELCDC for a second loan. Panagrossi worked with Farrah Marquez, assistant vice president of commercial loans at First American Bank in Las Cruces, to buy the property with a bridge loan until permanent financing could be secured. "First American bank really stepped up to the plate" through holidays and vacations to close on the bridge loan by that deadline, Panagrossi said. The second SBA loan was finalized in April 2017.

"Don was great to work with," Roberts said. "There was a lot of paperwork, but he did his best to keep it as easy on me as he could. The main benefit was we got a 20-year, fixed, low rate on the SBA portion — that's pretty much invaluable. Now we manufacture just about anything you can dream of. You could call us a full-service fabrication shop."

Gross sales doubled the year Mesilla Valley Metals moved to its new location, and the storage yard and warehouse help the company save money by buying in bulk.

ELCDC serves a wide variety of businesses, including startups and established ventures with commercial real estate and equipment loans of up to \$5 million for land and buildings, construction costs, renovation and remodeling, professional fees and other costs. For information, call (505) 843-9232 or visit www.elcdc.com.

Finance New Mexico connects individuals and businesses with skills and funding resources for their business or idea. To learn more, go to www.FinanceNewMexico.org.

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