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Cash-Advance Firm Plows Money Into Farming

FINANCE: ProducePay fields service to fund-hungry sector.

By **GARRETT REIM** Staff Reporter

Growing a cash crop requires a lot of cash. Unfortunately, many farmers find themselves in a cash pinch at the end of the growing season after large sums of money go out the door to buy seed, pay laborers, and repair equipment. For those who can't wait to be repaid and

can't cover the cash shortfall with a credit line, downtown startup **ProducePay** offers an online cash-advance service.

The model could change how small and mid-size farms are funded, particularly in developing countries, and it has been getting attention from investors as well. To expand its services to more growers, the company closed a \$77 million debt and equity round on March 14.

"These farmers aren't necessarily bad farmers," said **Pablo Borquez Schwarzbek**, ProducePay's chief executive and founder, noting that

the company's customers typically have tapped out their borrowing capacity. "For most, it means they've exhausted the traditional collateral like farmland and machinery."

The company uses its internet platform to buy produce at a 1 percent to 2 percent discount on average and give cash advancements of up to 50 percent of the goods' projected final revenue within 24 hours. ProducePay makes its money back by

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Reaping: **Pablo Borquez Schwarzbek.**



PHOTO BY THOMAS WASPER



Diving In: **Sam Real** at a Bel Air mansion that will feature three pools.

PHOTO BY THOMAS WASPER

Extended Stay Pays for Hotels

HOSPITALITY: King's move to China yielded investors.

By **DAINA BETH SOLOMON** Staff Reporter

When the 2008 financial crisis crushed developer **Grant King's** vision of opening a hotel in Hollywood, the co-founder of **Relevant Group** did more than call wealthy investors for help. He moved to Shanghai for face time with potential backers.



King

Nearly a decade later, his \$110 million Dream Hollywood Hotel is set to open this month, backed by financing from Chinese investors, including those using the EB-5 program to ease their paths to

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High-end homes may face lower demand

By **HELEN ZHAO** Staff Reporter

DEVELOPERS and brokers of high-end homes in Los Angeles are seeing cause for concern in East Coast luxury markets such as New York and Miami, where prices have softened and sales volume has waned.

The market for homes priced at less than \$3 million remains robust, agents said, as inventory is still tight. But the pool of buyers is limited in the high-end market for

homes priced above \$10 million, and as developers have rushed into the market there is concern that Los Angeles could be on the cusp of a glut.

"I've never seen more construction in Los Angeles than in the last two or three years," said **Greg Harris**, an agent at **Compass** brokerage in Beverly Hills. "There's more high-

14%
Decline in year-over-year volume of high-end home sales last year.

end inventory than we've ever seen."

Harris cited Bel Air as an example of this development trend.

"Up until a couple years ago, you would see new construction everywhere but Bel Air," he said. "But now you see it in Bel Air, which was typically an old-money neighborhood that didn't change hands much."

Agent **Sam Real** of **Nest Seekers** in Beverly Hills said there are more than 40 homes

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ENVIRONMENTAL SPECIAL REPORT



SEEING GREEN: The environmental business has changed over the years, as regulations have made strides in cleaning up the environment. Now, firms that used to focus on clean-up are shifting to consulting. Read more in our special report.

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