



## Customer

When Hector Mendoza emigrated to Seattle from Jalisco, Mexico, he stayed at his uncle's apartment. On his first day in the city, he ventured out on his own. In strange surroundings and unable to read English, he got lost. Eventually, he found himself on Mercer Street and used the iconic Space Needle to navigate his way home.

More than 30 years later, Hector and his wife, Amelia, just opened their third restaurant in Greater Seattle, and it's right on Mercer Street, where he first found his bearings in his new home.

The La Palmera restaurants offer authentic Mexican cuisine in a friendly atmosphere and are among the most popular family dining destinations in the area.

## Challenge

Hector and Amelia learned the restaurant business from the ground up, starting as a dishwasher and waitress, respectively, at different Mexican restaurants. They learned as they worked, taking on more and more responsibility, all the while thinking of how they would operate their own restaurant someday. Like many immigrants, they had a burning desire to succeed in their new country and the drive to make it happen.

Eventually, their opportunity came, and Hector and Amelia took over the original La Palmera. They applied everything they'd learned over the years and built on the restaurant's popularity. The combination of authentic recipes and friendly service was so successful that long waiting periods and requests from patrons to open more locations convinced them that they could expand beyond one location.

Of course, this meant they would have to obtain financing, which can be challenging for businesses in the restaurant industry.

The Mendozas had learned the intricacies of running a profitable restaurant, but were unfamiliar with the financing options available to them. The couple needed a banking team that could guide them through the process of getting the appropriate funding on the right terms.

## Success summary

**Company:**

La Palmera

**Industry:**

Restaurants

**Business challenge:**

Capital needed for expansion

**Loan purpose:**

Renovating and opening new locations

**Loan solution:**

SBA 7(a) loan



“What I really like from KeyBank is that they come to you; they take care of you; and what they tell you is what they do.”

– **Hector Mendoza, owner, La Palmera Restaurants**

## Solution

The Mendozas, who already used KeyBank for their personal banking, turned to it for help.

The KeyBank team set out to learn as much as they could about the Mendozas’ business, often during conversations over bowls of chips and salsa at La Palmera.

“What I really liked about them is that they come to my store, they meet with me, they explain every detail, and they’re very upfront with the numbers and everything else,” Hector said.

Together, they decided on several Small Business Administration (SBA) and conventional loans that allowed them to relocate the original La Palmera to a larger location, buy out partners, and open the second and third restaurants, as well as assist with a partner buyout of the condominium building in which the second restaurant is located.

## Results

All three restaurants are thriving, but Hector and Amelia are not resting on their accomplishments or changing the hands-on approach that has brought them such success.

“We’re here every day, often seven days a week, 12 to 16 hours a day,” said Hector.

It’s very much a family enterprise. About 30 family members work at the three restaurants, including Hector and Amelia’s daughter, Yuliana.

Yuliana, who recently earned a finance degree, said she is astonished at the financial knowledge her parents accumulated working their way up in the restaurant business: “It’s unreal how self-taught they are and how they know everything about how their business runs, the accounting, the financials. Nothing was learned from a textbook; it was all just figuring it out because they had to.”

And one of the things they’ve learned is that KeyBank is the right bank for growth.

“They’ve been very good to us,” Hector said. “And we feel very comfortable with them.”

**To learn more, contact a local KeyBank Relationship Manager or visit [key.com/smallbusinesswellness](https://key.com/smallbusinesswellness)**

**To learn more about La Palmera Restaurants, visit [lapalmerafmr.com](https://lapalmerafmr.com)**

