

Business Finance Group (BFG) successfully underwrote, packaged and submitted to SBA a \$506,000 SBA 7a loan for one of the banks we provide consulting services to. The borrower, a bank customer, wanted financing to refinance debt, to acquire new equipment and to provide long term working capital. To successfully fund, we had to address the following:

### **1. Restructured Original Loan Request**

The customer initially approached the bank to obtain working capital and equipment for continued growth. After reviewing the company's financial condition, we recommended to the client that we also refinance several existing short-term debt obligations, which would reduce the company's monthly payment obligations by 56%. The bank concurred with our assessment and approved the increased financing request.

### **2. Limited Demonstrated Debt Repayment Ability For Loan Evident**

Cash flow available for debt repayment of the initial loan request was only 0.75X debt coverage, which could have resulted in the loan being declined. With our recommendation to refinance the short-term debt, debt coverage improved to 1.25X for the higher loan amount. We worked closely with the client to develop attainable projections, relying in part, on the profit adding benefit of the additional equipment and working capital support.

**To ensure the success of obtaining suitable business financing or business insurance for our clients, we thoroughly analyze and evaluate every transaction engagement.**

**We look forward to working with you and your clients, who you feel require business financing and/or business insurance to allow their businesses to successfully expand their business horizons.**