

Business Finance Group (BFG) successfully arranged \$475,000 in SBA financing to refinance debt and provide long term working capital. Our client, located in Whittier, is a graphic design and commercial printing company for restaurants. To successfully fund, we had to address the following:

- Prior bankruptcy

Most lenders are unwilling to consider financing someone with a bankruptcy. However, in this case, the bankruptcy was due to a medical issue. We demonstrated that this issue was isolated and that since the bankruptcy several years ago, the owners have handled their personal obligations as agreed.

- Equipment had limited equity for collateral support and caused cash flow strain on the business

Like many small business operators, our clients acquired several commercial printing machines needed to transition the business from a graphics design company to a full service printing and graphics company; however, the equipment was acquired through a fair market value lease that had a 3-year repayment term and the pay off was more than the original equipment cost due to early termination fees. With the slowing economy, the repayment terms on the lease became more burdensome. By refinancing the equipment over a 10-year term, we reduced the monthly debt burden by 52.3% for a \$4,709 monthly savings. This coupled with \$100,000 in permanent working capital financing provided the company with the necessary financing to successfully operate in today's challenging economy. To mitigate our lack of equipment collateral, our bank lending partner took a junior lien position (3<sup>rd</sup> TD) on the family residence for collateral 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.**