

Business Finance Group (www.bfgloan.com) - Recently Funded SBA 7a Loan - Machine Shop

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Dated: Apr 01, 2011

Business Finance Group (BFG) successfully arranged \$1,715,000 in SBA financing for an aerospace parts manufacturer to refinance equipment debt, purchase raw material inventory, and to provide working capital to support sales growth.

The financing provided the following benefits:

1. The refinance of all equipment leases and credit card debt reduced monthly debt burden from \$24,600 to \$12,000, representing a monthly cash flow improvement of \$12,600.
2. The company has a \$19 million contract backlog through 2012 and identified material purchase requirements over the next twelve months. The inventory purchase financing assisted the company with meeting its material purchase requirements on these contracts.
3. The small working capital line of credit provided the company with further material purchase support.

In order to successfully fund, we had to overcome the following credit issues:

1. The company incurred an extraordinary lawsuit that was settled in 2010, which caused a net loss in 2010. We worked closely with the client and their accountant to provide a detailed breakdown of the extraordinary legal and settlement costs incurred by the company.
2. Aerospace industry changes related to vendor owned inventory and product lot tests extended the company's product life cycle by 120 days. We assisted the company with providing our community bank lending partner a detailed analysis of the company's current product life cycle and how the proposed SBA financing would mitigate the extended product life cycle.

While many SBA lending participants have either substantially reduced or eliminated their SBA loan participation, Business Finance Group, with its core community bank lending partners, has continued to be very active participant and is positioned well to assist small businesses to take advantage of the latest positive developments for the SBA 7(a) lending program.

BFG has more than 40 years of combined SBA lending experience. Please call one of our qualified staff to discuss how Business Finance Group can provide small business financing assistance.

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Business Finance Group (BFG) specializes in arranging financing for small to medium size businesses through its network of lenders committed to lending to the small to medium size business community.

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