



Creating Opportunities

Asset Based Lending

Commercial finance that maximizes flexibility

Asset-based lending is an ideal solution for companies with capital-intensive balance sheets who are looking to maximize financing flexibility. As specialists in this type of financing, we have extensive experience developing solutions for companies across many industries, asset classes, and economic cycles.

Our asset-based lending structure:

- Loan is typically structured as a revolving credit facility; funds can be re-borrowed as repayments are made
- Availability is determined by advance rates against eligible accounts receivable and eligible inventory collateral
- Advance rates and eligibility are based on quality and performance of the collateral
- Commitment amounts begin at \$10 million

Asset-based loans offer certain advantages over traditional loans:

- Broad use of proceeds including working capital, acquisitions, debt refinancing, recapitalizations, management buyouts, and capital expenditures
- Fewer financial covenants with an emphasis on collateral performance
- Predictable source of capital as borrowing availability is tied to company's assets, which often maximizes liquidity, as opposed to borrowing against a multiple of earnings (EBITDA), which may be more volatile
- Applicable to most industries including retail, manufacturing, distribution, wholesale, and business services