



Not-for-Profit Corporation Secures \$1.8M Loan for Shopping Center

Client Profile

Industry:	Not-for-Profit
Entity Type:	Corporation
Geographic Footprint:	Philadelphia, PA
Annual Revenue	\$3.6 million

Expertise for Debt Funding & Placement Needs

Issue

A not-for-profit corporation sought long-term financing for a shopping center it owned. Although the rental income from the shopping center could service a traditional loan and the loan-to-value was under 50%, it struggled to obtain a conventional loan due to the complexity of its financial statements, and the fact it did not have personal guarantees available.

Solution

CBIZ credit risk services reviewed the not-for-profit's previous year financial statement and its funding needs for the shopping center. Using our understanding of their situation and our experience with financial institutions, we gathered term sheets from lenders who would consider a lending arrangement without the personal guarantee. We assisted with the negotiating to reach a mutually beneficial loan structure.

Outcome

Through our assistance, the not-for-profit secured a \$1.8 million two-year bridge loan that addressed its short-term capital needs. The bridge loan also provided additional time for the not-for-profit to improve its financial statements so that it could be in a better position to secure a favorable long-term lending arrangement at the end of the two-year loan term.

Financing arrangements often come with complications. This is particularly true when the borrower's financial information is inadequate or not clearly presented, and the lender does not have what it needs to approve the loan request. Our experienced debt funding and placement professionals help organizations navigate the many nuances of the loan approval process. The expertise and lender relationships we have help ensure optimal terms and conditions for financing arrangements.



For more information about our debt placement services, please contact Michael Caron

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