



MEZZANINE FINANCING

Companies seeking financing for acquisitions, management buy-outs, recapitalization and growth should consider mezzanine financing. Mezzanine financing is a layer of subordinated term debt between senior debt and equity. Senior lenders treat mezzanine debt as the missing equity in leveraged financings. In addition to current interest, lenders will require warrants to purchase stock as a yield enhancement. **TUCKER CAPITAL ADVISORS LLC** arranges both senior and subordinated financing for its clients.

INDUSTRIES

Many industries and businesses are preferred borrowers:

- Manufacturing
- Distribution
- Information Technology
- Healthcare Products and Services
- Service Businesses
- Consumer Products

TRANSACTION TYPES

- Acquisitions
- Management Buy-outs
- Expansion (growth) Capital
- Recapitalization

BUSINESS PLANS AND MANAGEMENT

- Strong, committed management teams
- Sustainable financial performance
- Relatively high growth rates
- Solid financial controls
- Profitable history
- Sound business planning
- Good exit strategy

DEAL STRUCTURES

- \$1-25 Million
- 5-7 year Subordinated Notes
- Interest Rates of 10-14%
- Warrants to purchase stock
- Flexible interest and repayment terms
- Financial covenants

Mezzanine financing is, by its nature, for companies exhibiting high growth and cash flow. It is also one of the most flexible types of financing in that mezzanine finance companies (SBICs) work with both the senior lenders and company management to make the project successful. **TUCKER CAPITAL ADVISORS** has placed numerous subordinated debt financings and is familiar with numerous subordinated debt lenders. Call Brooke Tucker at 410.561.0699 or email brooke@tuckercapitaladvisors.com to discuss your needs.