



AT THE FOREFRONT OF
COMMERCIAL DEBT BUYING

TAKE THE NEXT STEP: SELL YOUR NONPERFORMING COMMERCIAL PAPER NOW.

BY BRETT BOEHM

Let's face it: uncollected commercial loans and lines of credit are an inevitable byproduct of even the most successful commercial finance company. Despite commercial lenders' most rigorous due diligence, borrowers sometimes do not meet their obligations.

Lenders are then faced with some difficult decisions. They know the clock is ticking once payments are missed on an account. If the borrower fails to make a payment within the specified time period, the account is written-off.

But then what happens?

This is often the point where many lenders are left scratching their heads, wondering what to do next with these non-performing accounts they have written-off.

But now there's now another option for these commercial lenders: sell them.

Many successful commercial finance companies have learned firsthand that their written-off commercial loans and lines of credit still have value. And, unlike the other limited options available, selling

non-performing commercial paper is uncomplicated, can be accomplished quickly, and, best of all, contributes immediately to the seller's bottom line.

I know this firsthand because my company, TBF Financial LLC, has exclusively served many of the largest commercial finance companies by purchasing their portfolios of commercial loans and lines of credit that were uncollected and written-off. In fact, TBF pioneered this service when it was founded in 1998 and has now refined and perfected a simple, easy process that pays commercial lenders cash up front for accepted pools of non-performing commercial accounts.

The Advantages of Selling Your Write-Offs

Here are a few of the most significant benefits to lenders selling their written-off accounts.

First, selling write-offs is the easiest way of converting them into cash and improving cash flow. With the sale of written-off accounts, there's never a better time to act than the present—as soon as the account has been written-off. The debt will never have more value, and the sooner the lender recoups this value in cash through a sale, the better.

Once sellers complete their first sale of non-performing paper, they often see how easy it is to realize cash on these accounts and then enter into a proactive arrangement to automatically sell their write-offs on a regular basis. The revenue generated becomes a positive line item in their budgets rather than a liability.

Second, since these accounts have been written-off the seller's books as having no value, the purchase price is a "recovery" for accounting purposes and goes directly to the seller's bottom line as profits. As a business strategy, many commercial finance companies will conduct regular sales of their written-off accounts monthly, quarterly, or, at the very least, at the end of the fiscal year to increase their annual profits.

Third, some companies sell their write-

offs as soon as they determine they cannot collect them internally or could utilize the proceeds better elsewhere. These companies have learned that guaranteed cash now is better than the diminishing possibility of payment later. Again, once a debt has been written-off, an immediate sale is the best way to convert it into a positive line item on the lender's balance sheet.

Here's How It Works

Selling non-performing paper is a very easy process. The seller prepares the basic information on the pool of non-performing accounts that is needed for review. The buyer assesses this information and offers a price for the written-off pool of accounts. If the price is acceptable, a purchase/sale agreement is prepared and the transaction closed. The entire transaction can be completed in a very short time, with a wire payment of funds to the seller made on the date of closing.

See for Yourself

Let us show you how selling written-off commercial loans and lines of credit is an easy way to convert your non-performing accounts into immediate cash and profits, improving your company's bottom line. Visit the TBF Financial display booth at the CFA Convention this November in Los Angeles and see why TBF is the commercial finance industry's leading debt buyer.

Brett Boehm is the principal/director of business development for TBF Financial LLC. Headquartered in Deerfield, Illinois, TBF has been the leading purchaser of written-off commercial loans, lines of credit, equipment leases, and other forms of non-performing commercial accounts since its inception in 1998. A 1998 graduate of The John Marshall School of Law, Boehm has been with the company since its founding.

The Commercial Finance Industry's Leading Debt Buyer



For over 15 years, TBF Financial has been the trusted buyer of non-performing commercial paper from the largest companies in the finance industry. Increase your recoveries by selling your non-performing accounts.

• EASY PROCESS • AGGRESSIVE PRICING •

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