

Commercial Debt Sales Climbing

TBF Financial buys \$100 million of charged-off loans, leases and merchant cash advances from fintechs, banks, lessors

DEERFIELD, IL, Jan. 14, 2020 - Commercial debt sales by fintech lenders, equipment leasing companies and banks are on the rise, with major companies striking deals to sell non-performing loans, leases and merchant cash advances after charge-off, reports Brett Boehm, CEO of TBF Financial.

TBF closed transactions in December totaling \$100 million. The three largest deals were with a leading e-commerce company that acquired and liquidated a merchant cash advance business; a captive leasing company that provides financing for transportation equipment and other assets; and one of the 20 largest banks in the nation.

“One reason for the rise in commercial debt selling is the tremendous growth of online alternative lenders,” he explains. “As their business originations have increased, so have the number of accounts that eventually default. By selling commercial debt at charge-off instead of spending years trying to collect it, they can put that money back into making loans and merchant cash advances where they generate a much better return.”

“Other lenders and lessors also recognize that it is more productive to concentrate on their core business rather than chase collections past charge-off,” he adds. “Selling commercial debt provides immediate cash and allows collections personnel to focus on accounts that are more likely to be recovered, earlier in the past-due cycle.”

While the December deals may additionally reflect the eagerness of companies to bring in cash before year’s end, Boehm says prospective deals in the pipeline remain high in January, and he anticipates a busy first quarter 2020.

About TBF Financial

TBF Financial is the leading purchaser of non-performing equipment leases, commercial bank loans, online small business loans and merchant cash advances in the U.S. Founded in 1998, the company buys commercial accounts up to four years old from the date of last payment. This includes equipment leases, loans and lines of credit that have personal guarantees, no personal guarantees, are secured, unsecured, pre-agency, post-agency, pre-litigation, and reduced to judgment. For more information, visit tbfgroup.com or contact Brett Boehm, CEO at bboehm@tbfgroup.com, 847-267-0660 or via LinkedIn.

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