

# US CAPITAL PARTNERS

LENDING AND INVESTMENT BANKING FOR SMALL & MIDDLE MARKET COMPANIES

## US Capital Partners Announces Inventory Lending

SAN FRANCISCO, October 2009—US Capital Partners is pleased to announce that it is increasing its inventory lending to small- to middle-market companies. Along with accounts receivable financing, clients can now obtain financing from US Capital Partners against specific types of inventory—including raw materials, work in progress, and finished goods.

US Capital Partners is a private investment bank, direct lender, co-lender, and lead financial arranger specializing in asset-based debt for small- to middle-market companies. Its ability to provide capital directly widens its scope to secure the best financing available for its clients.

If a business produces products and has inventory, it does not have to rely on a traditional bank loan to finance its working capital. It can use inventory financing to raise money. Inventory financing makes sense when a business enjoys a high inventory turnover rate but is short of the cash needed to replenish its supply. It is also suitable where a company needs to carry a lot of inventory on hand to operate its business, or where it enjoys a high inventory turnover rate at certain times of the year but not at others.

Inventory lending frees up the capital held in inventory and receivables so that more inventory can be purchased to meet demand.

Most traditional lenders are not comfortable with inventory financing. In 2007–08, banks used to offer up to 85% loan to value (LTV) on inventory. Today, however, institutional lenders are de-leveraging their exposure to inventory by reducing their LTV on inventory to between 30% and 0%. US Capital Partners, by contrast, is able to preserve the advance rates that were available previously. Unlike traditional lenders, US Capital Partners assesses the management, enterprise value, and liquidation value of a business, allowing it to take a higher risk exposure.

US Capital Partners is now a premier inventory lender, offering revolving lines of credit for warehoused or in-transit inventory, as well as purchase order financing for pre-sold goods. US Capital Partners takes an innovative approach to funding, and is able to provide not only inventory lines of credit but even inventory term loans.

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## About US Capital Partners, LLC

Since 1998, US Capital Partners has been providing prompt, innovative, and reliable financing solutions including lending, corporate financing, advisory, and debt restructuring to businesses across the United States and abroad. US Capital Partners is a private investment bank, direct lender, co-lender, and lead financial arranger that specializes in asset-based debt for small to middle-market private and public companies. The company's innovative approach allows them to provide the best financing available, not only for companies in excellent financial condition, but also for companies who may have been refused credit by traditional lenders.

If you would like to know more about how your business can secure the funding it needs, visit <http://www.uscapitalpartners.net> or call (415) 889-1010.

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