



**JHD CAPITAL**  
CONSULTANTS

# THE GUIDE TO FASTER FUNDING SOLUTIONS



**WHEN THE BANK IS NOT AN OPTION!!**

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SERVING SMALL BUSINESS OWNERS & REAL ESTATE INVESTORS!

For decades banks have been the only institute that could provide sufficient loans not only for a startup but also for businesses that have been running for a while. The most significant disadvantage was that if a bank refused to give a loan, there wasn't a second option to acquire the finances to help them run the business. However, the good news for business owners is thanks to the alternative lending industry banks are not the only lenders. Alternative lending is a term that encompasses the new small business lending options available outside of traditional bank lending. Traditional bank lending is notoriously hard for small businesses to qualify for. By turning to alternative lending, small business owners are more likely to qualify for funding.

## **SIMPLY PUT...**

Alternative lending is lending that takes place outside of a banking institution. Banks are called "traditional" financing institutions. When you read about traditional lending, you're reading about banks—usually big banks—that make large loans, distribute credit cards, give you checking and savings accounts, hand out mortgages, etc. Banks want to "play it safe." This is the reason why they would not take your promise to pay them back as soon as you receive your payment as a valid promise. They may require actual tangible assets like the inventory of your company, land, or even your personal house as collateral. The alternative lender, on the other hand, asks for no such thing. Alternative lendings put their trust in the business owner, who believes that they can get their account receivables turned into a payment quickly.

A hand in a black pinstriped suit sleeve is shown from the bottom left, holding a large, 3D, orange word "LOANS" in the center of the palm. The background is a solid dark blue.

## WHAT ARE SOME DRAWBACKS OF ALTERNATIVE LENDING?

Although banks have strict guidelines, slower processing, and fewer approvals, they do provide lower interest rates for the borrower. However, this is not the case with alternative lenders, who have been known to charge higher interest rates for their customers. Also, the payback periods are often shorter with alternative lenders. Alternative lenders may require daily or weekly payments instead of monthly payments.

## CONCLUSION

Alternative lending exists because so many small businesses have been turned away by traditional lenders. Alternative lenders have been much quicker than banks to embrace technology; this has enabled them to provide small businesses with a quick and convenient lending process. In a fraction of the time, the traditional loan application process takes, alternative lenders, can evaluate your business creditworthiness, confirm cash flow, and view payment history.

# LENDING PROGRAMS FOR BUSINESSES

<p><b>LINES OF CREDIT</b></p>	<p>Lines of credit provide small businesses money for day-to-day cash-flow needs. They are not recommended for larger purchases, and are available for as short as 90 days to as long as several years. With a line of credit, you take only what you need and pay interest only on what you use, rather than the entire amount. These loans are usually unsecured and don't require any collateral. They also have longer repayment terms and give you the ability to build up your credit rating if you make the interest payments on time.</p> <p><b>**NOTE**</b> The downsides are the additional fees charged and that they put small businesses in jeopardy of building up a large amount of debt.</p>
<p><b>MIN REQUIREMENTS</b></p>	<ul style="list-style-type: none"> <li>● 9 months in operation</li> <li>● \$10,000 in monthly revenue</li> <li>● 600 Fico</li> </ul>
<p><b>EQUIPMENT LOANS AND LEASES</b></p>	<p>Provide money to small businesses for office equipment, like copy machines and computers, or things such as machinery, tools and vehicles. Instead of paying for the large purchases all at once up front, equipment loans allow business owners to make monthly payments on the items. One benefit of equipment loans is that they are often easier to obtain than some other types of loans because the equipment being purchased or leased serves as collateral. Equipment loans preserve cash flow since they don't require a large down payment and may offer some tax write-offs</p>
<p><b>MIN REQUIREMENTS</b></p>	<ul style="list-style-type: none"> <li>● 12 months in operation</li> <li>● \$20,000 in monthly revenue</li> <li>● 600 Fico</li> </ul>

## MERCHANT CASH ADVANCE

This type of loan is made to a business based on the volume of its monthly credit card transactions. Businesses can typically receive an advance of up to 125 percent of their monthly transaction volume. The terms for repaying a merchant cash advance vary by lender. Some take a fixed amount of money out of a business's merchant account every day, while others take a percentage of the daily credit card sales. The best candidates for merchant cash advances are businesses with strong credit card sales, such as retailers, restaurants and service businesses. The advantages of merchant cash advances are that they are relatively easy to obtain, funding can be received in as quickly as a few days, and the loan is paid back directly from credit card sales.

**\*\*NOTE\*\***: The biggest downside is the expense: Interest on these loans can run as high as 30 percent a month, depending on the lender and amount borrowed.

## MIN REQUIREMENTS

- 9 months in operation
- \$10,000 in monthly revenue
- 580 Fico

## UNSECURED BUSINESS CREDIT (STARTUPS OK)

Are you looking to fund and grow your business? There are a variety of banks and equity institutions that provide 0% business credit cards for a period of 6, 9, 12 and even 18 months. Obtain low-interest business credit lines that do not appear on your personal credit report. There are no restrictions; you can use the credit lines for any business or real estate investing need. Receive between \$30,000 to \$150,000 in unsecured business credit.

**\*\*NOTE\*\*** Startups OK

## MIN REQUIREMENTS

- 700 Fico
- No Late Payments, Collections, Liens, BK, or Foreclosures
- No more than (3) recent credit inquiries

<p><b>BUSINESS TERM LOAN</b></p>	<p>A traditional business term loan is a lump sum of capital that you pay back with regular repayments at a fixed interest rate. The “term” in “term loan” comes from its set repayment term length, which will typically be one to five years long. Most business owners use the proceeds of term loans to finance a specific, one-off investment for their small business.</p> <p><b>**NOTE**:</b> Since traditional term loans have longer repayment periods than short-term loans, your business’s financials and credit score are more important.</p>
<p><b>MIN REQUIREMENTS</b></p>	<ul style="list-style-type: none"> <li>● 2 years in operations</li> <li>● \$20,000 a month in sales</li> <li>● 640 Fico</li> </ul>
<p><b>INVOICE FACTORING</b></p>	<p>Invoice factoring is not a loan. Rather, you sell your invoices at a discount to a factoring company in exchange for a lump sum of cash. The factoring company then owns the invoices and gets paid when it collects from your customers, typically in 30 to 90 days. Invoice factoring can provide immediate working capital to help cover a funding gap caused by slow-paying customers.</p> <p><b>**NOTE**:</b> The service can be expensive. The factoring company may need to verify the creditworthiness of your customers.</p>
<p><b>MIN REQUIREMENTS</b></p>	<ul style="list-style-type: none"> <li>● 12 months in operation</li> <li>● \$10,000 a month in sales</li> <li>● Your client’s commercial credit must be good</li> </ul>

# REAL ESTATE FUNDING FOR INVESTORS

<p><b>REHAB LOANS (FIX &amp; FLIP/ HARDMONEY)</b></p>	<p>A hard money or rehab loan is a short-term financing solution, issued by private lenders, that allows real estate investors to obtain capital fast to develop, flip, or own properties directly.</p> <p>The loan is secured by the value of the subject real estate property, not by the borrower's credit score. That's how hard money lenders protect themselves against default by the borrower.</p> <p><b>**Note**</b>Prior rehab exp NOT required</p>
<p><b>MIN REQUIREMENTS</b></p>	<ul style="list-style-type: none"> <li>● Must be an LLC or Corp</li> <li>● \$50,000 min Loan Amount</li> <li>● 600 Fico</li> <li>● Downpayment of 15% of the purchase price</li> <li>● 6 months of liquid assets in the bank (loan payments)</li> </ul>
<p><b>STANDARD TERMS</b></p>	<ul style="list-style-type: none"> <li>● 6 - 12 months term</li> <li>● 10-16% interest rate</li> <li>● Additional lender fees/points</li> <li>● Will lend up to 70% of the After-Repair-Value (ARV)</li> <li>● 100% of the repair costs can be included in the loan</li> </ul>
<p><b>COMMERCIAL REAL ESTATE PURCHASE OR REFINANCE</b></p>	<p>When it comes to financing commercial real estate, alternative lending solutions have taken the lead over traditional loans. Prohibitively high requirements, long processing times, rate hikes, and more remain the hallmark of traditional lending channels. Because alternative lending solutions are not restricted by the usual bank bureaucracy, funding can be arranged and disbursed much more efficiently to keep transactions and projects on track.</p>
<p><b>MIN REQUIREMENTS</b></p>	<ul style="list-style-type: none"> <li>● Must be an LLC or Corp</li> <li>● \$150,000 min Loan Amount</li> <li>● 660 Fico ● Downpayment of 25% of the purchase price</li> <li>● 6 months of liquid assets in the bank (loan payments)</li> </ul>
<p><b>STANDARD TERMS</b></p>	<ul style="list-style-type: none"> <li>● 5 - 30 year terms</li> <li>● 8-14% interest rate</li> <li>● Additional lender fees/points</li> <li>● Loans up to 2 Million Dollars</li> </ul>



Since 2009, the JHD Team lead by Sye and Marcus Wells has been helping our Small Businesses grow through Jordan Hunter Digital Marketing and Business Consulting Services. Marcus came from the mortgage banking industry and had an extensive background in financing. He has helped clients close hundreds of loans including Conventional, Non-Conforming, FHA, VA, Co-Op's, Jumbo Loans, and Investor Loans. It has always been our top priority to help our clients grow and expand their businesses. After working with entrepreneurs, business owners, and investors over the years, we started to recognize that the lack of capital was preventing many from growing their businesses. JHD Capital Consultants was established as a complete solution for our current and future clients who need capital to grow their businesses and real estate portfolios. Our clients have trusted us to deliver business services for the past ten years, and we will continue to deliver growth-oriented solutions.