



## Business Finance

Columbia Pacific is a \$2.9 billion<sup>1</sup> alternative asset manager with deep experience in private equity, real estate and direct lending. Columbia Pacific Business Finance (“CPBF”) is a flexible direct lender established to provide growth capital and transitional financing for independent and sponsor-backed lower middle-market companies.

### Strategy

- Offer private credit solutions to clients with financing needs that are not best met by traditional lenders
- Partner with high-growth companies whose owners want to minimize equity dilution
- Accommodate clients in need of accelerated closing or innovative loan structures

### Lending Overview

- Target loan amounts between \$10MM and \$30MM, structured with 1 - 3 year initial term, and flexible amortization
- Combination of cash and paid-in-kind (PIK) interest payments; may include an equity or warrant component
- Open to participating at various levels of the capital structure with senior or mezzanine financing
- Wholistic approach considers current and future enterprise value in addition to tangible and intangible assets
- Agile underwriting process enables closing 30 to 45 days from signing a letter of intent (LOI)

### What makes us different?

Columbia Pacific offers businesses an attractive alternative to traditional lenders and equity investors

	Business Finance	Traditional Lenders	Equity Investors
Valuation & Underwriting	Consider tangible assets, cash flow, enterprise value and unrelated assets; able to assess businesses in transition, focus on preserving value	Narrow focus on tangible asset values or historical cash flow metrics	Compensate for 1st risk position by minimizing entry valuation to maximize return
Term	Typically 1-3 year initial term, extension options available	3-5 year term with varying prepayment penalties	Permanent
Structure	Low or no principal amortization, cash pay, PIK, equity/warrants situation-specific	Cash payments, typically meaningful principal amortization	Highly variable – may be structured with preferred return and oversight fees
Time to Close	30 to 45 days from executing LOI	45 to 120 days from executing term sheet	Variable
Working Relationship	Value-add partner; work toward a successful exit through value creation	Transactional; may become adversarial if business encounters challenges	Affirmative and negative controls
Industry & Geographic Constraints	Industry agnostic, nationwide	Avoid unfamiliar industries and complex situations, regional client base	Varies

### Representative Transactions:

**\$16,000,000**  
Non-Dilutive Growth Capital

Specialized IC Developer  
July 2020

**\$6,500,000**  
Growth / Working Capital

Smart Home Lighting Controls  
April 2020

**\$25,000,000**  
Consolidate Portfolio Debt

Integrated MEP Contractor  
January 2020

**\$14,000,000**  
Refinance / Growth Capital

Asset Light Logistics Provider  
November 2019

### Contact CPBF:

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1. \$2.9B AUM as of 12/31/19.

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