

Business Finance Solutions Creating Cash Flow for Small Businesses

Fact Sheet—Working Capital Financing for Construction Contractors



Construction contracting poses some of the most difficult financing challenges for obtaining project and working capital financing; However, we have been very successful in helping subcontractors finance their working capital and large projects.

Unique Aspects of Construction Contractor Financing

- ◆ Lien laws affecting construction can be complex and vary from state to state.
- ◆ The nature of the work is subject to disputes over quality of work performed or percentage of completion.
- ◆ Performance bonding dramatically affects the ability to obtain project financing.
- ◆ Progress completion billings are often subject to interpretation.
- ◆ Traditional lending sources tend to shy away from financing subcontractors.
- ◆ Industry is susceptible to swings in the economy.



Desirable Qualities that Make Financing Possible

- ◆ Strong history of quality workmanship
- ◆ Good track-record of handling accounts payable
- ◆ History of doing business with reputable prime contractors
- ◆ Strong management of subcontracting company
- ◆ Company has history of profitability
- ◆ Primary work is for commercial projects rather than residential homebuilding



For More Information
Leslie Thacker leslie@lesliethacker.com
Sam Thacker sam@lesliethacker.com
Business Finance Solutions
Toll Free: 800.492.8842
Fax: 512.597.0781
www.lesliethacker.com

