

## SBA 7(A)

# The right lender for an unpredictable small business acquisition

### LOAN AMOUNT

\$2,198,400

### LOAN PURPOSE

SBA 7(a) for business acquisition

### THE SMALL BUSINESS

WeCare Assisted Living, LLC | Denver, CO

### THE FINANCING CHALLENGE

The small business acquisition for WeCare Assisted Living in Denver was anything but straightforward. As the team advanced through the deal stages, they made several unexpected discoveries: The seller was no longer actively running the business, the inspection revealed significant unforeseen issues, and both sides were understandably eager for a resolution. Without extraordinary perseverance, the deal simply couldn't be accomplished.

### Here's what our borrowers brought to Ready Capital:

- An inspection revealed \$100,000 worth of deferred maintenance, and a total of \$750,000 worth of work outside of the deal buyer-seller agreement.
- The fire suppression bid came in over the estimate.
- Residents were still onsite, and the state of Colorado's laws called for a go-forward plan without delay.

### CREATIVE SOLUTION

Despite a long journey with many moving parts, Ready Capital maintained near-daily communication with the borrower and navigated every bump in the road. The BDO and team were able to take an in-jeopardy deal and transform it into an investment with an upward trajectory for the borrower.



## Reliable results

- Locked in \$2,198,400 of SBA 7(a) financing to cover the 30-bed facility acquisition.
- The deal included an inspection resolution for seller to cover deferred maintenance.
- The owner was able to take over the property by the end of the year, and it had appreciated in value from \$2.8M to \$3.2M.