



## CONTRACT FINANCE



Contract finance is a lending program intended for companies that have been awarded a contract, however, do not have the funds to fulfill the contract. Lender will typically advance a portion of the contract so the company can successfully complete the project. Contract finance is expensive and should be used for growth opportunities. Companies that are looking for capital to take on multiple contracts are good candidates. Lenders prefer to work with companies with multiple contracts, as there are additional means of repayment. Contract finance can take on various forms including loans against sports and entertainment contracts or funding for government contractors that have been awarded a bid.

Contract finance is unique in that lenders allow some of the funds to be used for "mobilization," or getting the project started. For example, if a government contractor is awarded a contract for overseas work, before the main contract work even begins the company may receive funding to set up an operating base overseas to manage the project and train employees.

---

## APPLICATION

### **Government Contracts/Subsidies**

- ADU subsidies
- Senior housing
- Student housing
- Affordable housing

### **Real Estate Development**

- Homebuilder lot offtakes
- Completion contracts
- Infrastructure contracts

### **Film/Entertainment**

- Film - Distribution contracts
- Sports – Athlete contracts

### **Technology**

- Development contracts
- Implementation contracts

### **Insurance contracts**

- Completion bonds