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**TFG Capital**

## **New business fund lending tops £1m in first month**



A new Yorkshire-based business lending fund launched in September has made business loans of more than £1.1m in its first month.

TFG Capital was launched by financier James Mortimore with £7.5m immediately available to plug the funding gap for businesses seeking expansion and opportunity capital, but which are unable to obtain bank support.

Within a month the new lender has already completed six debt lending deals averaging almost £200,000.

“We knew there was a demand for flexible secured lending to good businesses, and the early deals we have been able to close are evidence of the huge need for alternative business funding,” said Mortimore.

The firm, which has offices in Leeds and Doncaster, expected the majority of its transactions to be for loans to northern SMEs for amounts between £50,000 and £3m over terms up to two years.

“Most of the deals completed so far are for between six and twelve months, and all have been to leverage an opportunity, provide working capital or to grow a business rapidly where a bank would be unable to respond fast enough,” he said.

“One company wanted to expand its premises to enable rapid growth, another needed to leverage stock to buy more raw materials, one firm has a great debtor book but needed working capital and another needed to leverage its assets to fund an MBO,” he added.

The fund has differentiated itself from many of its competitors by offering secured funding within flexible parameters, enabling it to help clients even if their requirements fall outside the criteria demanded by traditional lenders.

“We have seen over 30 potential lending requests, including asset bridging finance; working capital loans; development capital for property schemes; and trade finance deals leveraging the value tied up in stock, and we expect many more of these will complete in the coming weeks,” said Mr Mortimore.

“Several of the deals were completed with firms here in Yorkshire, but one was done with a business on the South coast and another in the Midlands, so there is obviously a shortage of flexible finance elsewhere in the UK as well,” he added.

The fund has a strong pipeline of deals that it expects to close by the end of the year, with more than £6m available for further lending from the initial fund.

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**Photography:** TFG Capital founder James Mortimore

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