

Title:

Do You Qualify For Factoring?

Word Count:

1095

Summary:

I have created this article to give you straight forward content hoping to provide information

Lets face it, your time is very valuable and you do not need to waste it filling out applicati

Keywords:

factoring, factoring articles, factoring companies, factoring information

Article Body:

I have created this article to give you straight forward content hoping to provide information

Lets face it, your time is very valuable and you do not need to waste it filling out applicati

I also created this article because we want your business; however we want to earn it.

So if you find out that this information is helpful in your process of seeking out a financial

Some of this information will be basic and you may already be familiar with it, however some m

We want to thank you up front for giving us a chance to serve your company. Lets get started.

Lets take a look at what factoring is:

Factoring is a form of financing where a business sells its creditworthy commercial accounts r

This is a good starting point; you need to be invoicing creditworthy businesses for your produ

How much do you invoice each month:

If you are invoicing under \$10,000 a month this will limit the number of factoring companies t

How many customers do you invoice:

Factoring companies prefer to fund companies with more than one customer; this helps them lowe

Do you have any financing currently in place:

If you have an existing loan or line of credit you need to find out up front if the bank has a

I would suggest if you have a current loan or line of credit to double check and make sure of

I have had many businesses tell me that the bank did not have their receivables as collateral

The factoring company would begin due diligence and the lien search would return a current UCC

If this is the case, you still may qualify for factoring. If your loan or line of credit is sm

So if you have current financing, check on this issue. You may find out the bank will step up

This has happened many times.

Also be aware that our factoring companies can help negotiate a subordination, so discuss this

Your aging report:

Your aging report is very important to a factoring company; this is the pulse on your cash flow.

If you have an unhealthy aging report you will have a hard time qualifying for factoring. Plus

Make sure you have a cash flow issue and not a collections issue.

Remember, creditworthy customers are the key.

Outstanding taxes, liens, judgments, litigations, felony convictions or bankruptcy:

If you have any of these issues, it does not mean you can't qualify for factoring, you just need

Are you incorporated:

Some factors will not work with Sole Proprietors, others will, we have some that do. Find out

Financial Statements:

Some factors will require financial statements and others will not.

Providing financial is usually where you will find the most aggressive rates available.

If you do not want to deal with providing financial statements, ask up front if they are required.

Personal Credit

Even though your customers are the primary focus, your personal credit is taken into consideration.

This covers some of the basic, I hope it helps!

Thanks for reading.

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