

Aviators

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HOT LINE®



JetLoan Capital

The aircraft financing experts with over 30 years of experience and over \$2 billion funded.

See inside for details!

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JetLoan Capital: Time is Money



Sam Harris, President of JetLoan Capital, started financing big purchases in the '80s. "I was in one or another bank for 25 years -- GE Capital, Provident Commercial, PNC, since 1994; I've done a couple billion dollars in aircraft loans for them. In 2010, I went out on my own as a financial broker."

"We originate loans for people buying aircraft. We find the best lender for their specific set of circumstances, making a meaningful difference in the financing terms they achieve."

There are many ways to get loans, but the more money involved, the larger the asset, the more complicated (and time-consuming) the loan can become. Harris notes, "There are a lot of banks lending on aircraft assets -- both recognizable names and unknown. Prior to 2008,

you may have just called one of the Big Three. That may not be your best option today. A lot of banks have exited the space since 2008, and a lot more have entered. Our business is to know which lenders are doing which kinds of deals and which have strong appetite at a particular time."

BIG IS BEAUTIFUL. SO IS SMALL.

"Last year, we originated 40+ loans, a bit over \$100 million. We used to specialize in bigger jet loans; a couple years ago, we started promoting a growth area -- GA. We realized we wanted to be there for the GA client who was buying a first aircraft -- a Cirrus, a Piper -- and we'd be there for them as they went to larger, more-expensive



aircraft. We've recently put together loans from a quarter-million on a Seneca V, to a Challenger 350 at \$16 million."

**TIME IS MONEY.
EFFICIENCY SAVES
TIME.**

Efficiency comes from knowing where to look and what to look for. Harris says, "We'll prepare a focused transaction summary for a couple of our lenders – we don't shotgun the transaction around the market. There are big variations, and even the subtle variations can make a significant difference in the loan you get. We spend our time working with lenders and borrowers, looking for a specific fit. It's very efficient, versus a borrower just calling around. We've done the legwork. We know where to look. And because we have a diverse pool of lenders, we can do a large variety of loans."

Harris notes that convenience and confidence

come from asking the right questions of the right people and knowing what questions to ask. "You can spend a lot of time and still not get what you want, on good terms and at a good rate. In the aviation business, there just aren't a lot of finance brokers. It's almost the opposite of the insurance industry, where most of the business goes through brokers. I'd like to say, 'Call us, and we'll figure it out for you.' But do your research. Then, when you call us, you'll have a better picture of what you want, as well as what may be available." He added, smiling, "And you'll appreciate us more. Don't print that."

**ADVICE FOR FIRST-TIME
BORROWERS - PLUS INSIGHT
FOR EVERYONE:**

Harris notes that, "First-timers maybe follow their instincts and call the big aircraft brokers; they'll ask friends or the dealer-brokers (who will often refer to JetLoan Capital or another specialist). But the variables of each borrower and each aircraft's usage greatly affect who will lend, under what conditions. Things you might not think matter, matter. 'Where is home field?' 'Is this a corporate or personal aircraft, or a little of both?' 'What business is the client in?' A lot of lenders won't loan, depending





on these variables and others. Once we know these circumstances, we can narrow the search from maybe 100 lenders to five – and we do the legwork.”

Complicating things, “Banks and their Boards change the types of deals they will approve, enter and leave the industry. Sometimes, they change quarter to quarter, depending on their needs and where they are in the business. The lending community -- in aviation, particularly -- is super-dynamic, in terms of who’s entering, leaving, what their business looks like at that moment ...

The industry is much more dynamic than you may imagine.”

Having several suitable lenders for each deal comes from experience dealing in the industry on a daily basis. Harris says his lenders know he is looking for the best deal for his clients, but with an approach that is respectful of the lender and their process. “The banks know we’re serious and that the transactions we present to them are organized and real and they are being presented to them because it fits their scope of interest, which is a productive and

meaningful use of their time. The lenders we use most typically offer our clients the best terms at the outset.”

Harris notes that, “We encourage the client to look for a better deal – if they find one, that’s great. But we are pretty good at finding the best deals, and – this is where our experience and contacts really help – we know where to look.”

He says, “Look, deals can get complicated – we have a lot of lenders, and so we can often help with complicated deals, but we more routinely get high-quality borrowers the very best rates and terms. We can do a wide variety of transactions, but the majority are concerned with getting a straightforward deal – the best rates and terms for creditworthy customers. And that’s what we deliver.” ■



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