



# Ascentium Capital

## Financing for the Construction & Industrial Industries

<b>Client Name:</b>	<b>PAVE NORTHWEST, INC.</b>
<b>Time in Business:</b>	<b>Since 2009</b>
<b>Sales Channel(s):</b>	<b>Direct to businesses</b>
<b>Location</b>	<b>Marcola, Oregon</b>
<b>Owners</b>	<b>Russell Bond &amp; Tim Yokum</b>



### Background

Tim Yokum and Russell Bond aren't just successful entrepreneurs. They are best friends, neighbors and share ownership in PAVE Northwest, Inc. (PNW). Since 2009, they experienced revenue growth of 650%. Their Company specializes in slurry seal, crack sealing and striping. As the only company doing slurry seal in the region, they are growing their local business rapidly and expanded into Washington.

### Needs Analysis

In growth mode and as a startup company even with good credit, the business owners found it challenging to obtain traditional bank financing for equipment they needed to support. PNW was renting equipment to satisfy customer demand for their services, but after analysis, they realized they could capture substantial savings and streamline operations with equipment ownership. They decided to make a capital investment for several pieces of equipment including an excavator, trucks, Bobcat®, loader and other items. They contacted their local bank for financing and found the process cumbersome. Their banker did not understand their business and the rapid growth of PNW was viewed as elevated risk, so the bank refused financing. Additionally, due to the seasonality of their business, other financial institutions were not willing to provide funds. The revenue increase from \$200,000 in the year of inception that rose to nearly \$1.5 million six years later was perceived as a red flag by other banks.

### Challenge: Traditional Bank Financing

*"Conventional financing has always been really frustrating for us because we feel like it's difficult to get conventional banks to actually understand what it is you need, when you need it and why."*

*-Tim Yokum, Co-Owner Pave Northwest.*

### Issues with bank financing:

- Lack of industry knowledge: banks didn't have the ability to understand PNW's business model
- Inability to provide capital: banks interpreted rapid growth as high-risk and declined credit
- Large cash outlay: banks required a large down payment, as much as 50%
- Lack of flexibility: banks regarded the business as too risky with too short of business history

## Solution: Ascentium Capital's Financing

With Ascentium Capital's consultative approach and expertise in the construction and industrial sectors, the finance team took the time to understand PNW's business model, revenue stream and client base. As a result, Ascentium was able to develop a finance program that met the clients' business initiatives. After acquiring new and used equipment with repayment structures that worked with their cash flow, PNW was able to substantially streamline operations and improve efficiencies. Additionally, they were able to improve client satisfaction with faster turnaround time since equipment was now onsite and ready for use versus going through the rental process. Russell and Tim acquired the following equipment with Ascentium's financing:

### Financed Equipment

- Painting equipment for striping parking lots
- Used truck for hauling rock and asphalt
- Used truck for transporting oil tanker
- 2 Bobcats for loading slurry trucks
- Excavator for digging

*"It's definitely streamlined our business to have these pieces of equipment onsite, and this track loader that we bought does it in half the time. The first 5 years you're in business, it's hard to get a loan, so we were pleased with the whole process through Ascentium because it was quick and easy."*

*- Tim Yokum, Co-Owner Pave Northwest.*

### The Impact of Using Ascentium's Financing to Acquire Equipment

- ✓ **Improved profit margins:** cost effective to finance and own equipment versus renting
- ✓ **Improved efficiencies:** new equipment does the work in half the time of rental equipment
- ✓ **Business expansion:** enhanced profit and efficiencies enabled PNW to accept more projects and enabled the company to grow headcount to 10 employees

### Unique Financing Options for the Construction & Industrial Industries

- No or low down payment options
- New or used equipment and commercial vehicles
- Working capital for inventory, marketing, payroll and other business items
- 100% financing to cover tax, shipping, training and other costs

### Learn More

[Click to view](#) a short video to learn how the construction industry can effectively use financing to acquire new or used business equipment needed to grow their business!



## Contact Ascentium Capital's Construction & Industrial Team Today:

Ascentium Capital is proud to serve the construction, commercial and industrial industries nationwide. Find out how we help companies seize their next opportunity!

### Construction & Industrial Team

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