

OUR APPROACH:

Case Study: Upscale Furniture Retailer



Rethink

Privately owned furniture distributor and retailer strapped with limited liquidity due to over-expansion and extraordinarily high inventory levels, was in violation of its bank covenants resulting in fractured relationships with its secured lender group (three banks). No clear pathway to restore liquidity and profitability.

React

Aurora engaged as financial advisor to the secured lender group assisting the Company in assessing its future cash flow outlook and profitability. Aurora managed relationships with the lender group during the forbearance process, worked with the Company to achieve compliance with the lender group's terms and prepare for refinancing, including liquidity and profitability forecasting along with inventory reduction planning and store location viability assessment.

Results

Poor performing stores identified for closure. Inventory reduction plans created and implemented. Credible cash flow forecasting in place to manage the business. The current secured lenders were paid in full. The Company was refinanced with new sources of capital and continues to operate successfully.

AURORA MANAGEMENT PARTNERS |