TZORTZIS
CAPITAL

YEAR-END 2026 RESEARCH REPORT

2027 Commercial Capital Outlook

Working capital, lines of credit, equipment, bridge and term financing for established companies: what changed in 2026, where operators are under pressure and where the openings are in 2027.

INSIDE

Executive summary · Five core solutions · Industry outlook · 2027 placement playbook

Published by Tzortzis Capital, a capital advisory and placement firm. Educational content; not lending, tax, legal or investment advice.

EXECUTIVE SUMMARY

2026 rewarded preparation. 2027 will reward speed with discipline.

Established companies spent 2026 working through higher carrying costs, more conservative bank credit committees and longer closing timetables. Many of the operators we spoke with were not short of opportunity. They were short of time: equipment had to be ordered before the deadline, an acquisition target wanted certainty, or customers paid slower while payroll and suppliers did not.

This report looks at the five financing structures Tzortzis Capital places most often — working capital, commercial lines of credit, equipment loans, bridge loans and term loans — and at the industries where demand for each is strongest. It is written for owners, CFOs and controllers of established companies, typically with several years of operating history and audited, reviewed or well-prepared financial statements.

Five takeaways for 2027

- **Liquidity is a strategy, not a fallback.** Companies that arrange a credit line before they need it negotiate from strength. Companies that wait usually arrange capital under deadline pressure.
- **Equipment decisions are timing decisions.** Delivery, installation and documentation, not the purchase order, tend to determine whether a year-end plan works.
- **Bridge capital is priced by the month.** The real risk is not the rate; it is a repayment plan that slips. Underwrite the exit first.
- **Bank and non-bank capital are complements.** Private credit funds, specialty finance companies and banks each fit different profiles. Matching the request to the right provider saves weeks.
- **Preparation compresses timelines.** Clean financials, a clear use of proceeds and an honest sources-and-uses summary remain the fastest route to a term sheet.

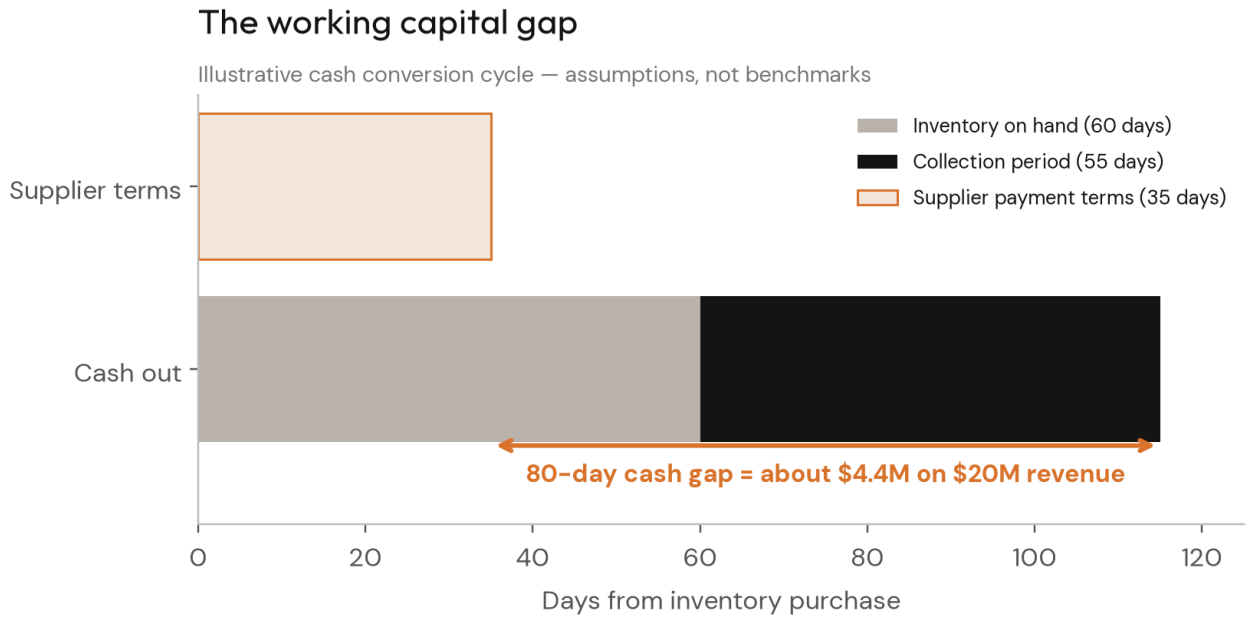
How to use this report

Each solution section explains what the structure does, when it fits and what capital providers look for. The charts use illustrative assumptions so the math is transparent; they are not market benchmarks, rate quotes or commitments. Independent capital providers make all credit decisions and set final terms.

CORE SOLUTION 01

Working capital: funding the gap between paying and getting paid

Working capital pressure rarely comes from weak sales. It usually comes from growth: more inventory, larger projects and larger customers who pay on longer terms. The cash conversion cycle — days of inventory plus days to collect, minus days you take to pay suppliers — measures how long each dollar is tied up.



In the illustration, a company with $20 million of annual revenue and an 80-day cash conversion cycle has about $4.4 million tied up in operations ($20M ÷ 365 × 80). Growing revenue by 20% without shortening the cycle ties up roughly another $0.9 million. That is the number to plan for, not the number in the bank account today.

What capital providers look for

- Consistent revenue and gross margin across at least two to three years, with year-to-date results
- Receivables aging and customer concentration, inventory reports where relevant
- A specific use of funds and a repayment path tied to the operating cycle
- Existing debt, liens and covenants that a new facility must work alongside

Published program guidance for working capital facilities is $50K – $5M+ over 3 – 24 months; placement depends on verified financials and independent lender review.

CORE SOLUTION 02

Commercial lines of credit: arrange liquidity before you need it

A revolving line of credit is the most flexible tool for recurring needs: seasonal inventory, payroll timing, supplier deposits and the swing between invoicing and collection. You draw what you need, repay as cash comes in and pay interest on the balance used — though unused-line and other fees can apply.

The best time to arrange a line is when the business is performing well. The worst time is the week a large customer pays late. Lenders evaluate the same financial statements either way, but a company that applies from strength has more options and more time to compare them.

Line of credit or working capital term facility?

Question	Revolving line of credit	Working capital term facility
Need recurs every year or season?	Usually the better fit	Less efficient for recurring needs
One-time, defined need?	Possible, but may be underused	Often simpler, with a fixed payoff
How is it repaid?	Revolves with the operating cycle	Scheduled payments over the term
What is typically reviewed?	Receivables, inventory, cash flow, covenants	Cash flow, margins, existing debt
Published guidance	$50K – $25M; 1 – 3 years, revolving	$50K – $5M+; 3 – 24 months

Where lines are working hardest heading into 2027

- **Distributors and manufacturers** building inventory ahead of supplier price changes or lead-time spikes
- **Contractors** covering payroll and materials while progress billings and retainage are collected
- **Healthcare practices** smoothing reimbursement timing during expansion
- **Professional services firms** carrying larger receivables as client engagements grow

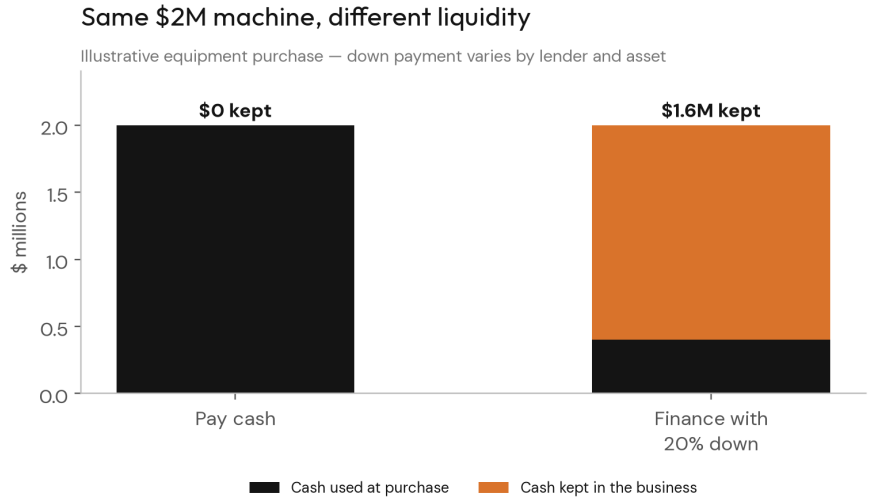
A soft word from the placement desk

Tzortzis Capital reviews your financials before any lender sees them, identifies which providers are most likely to fit the request and presents a complete package. One organized conversation usually replaces a series of applications.

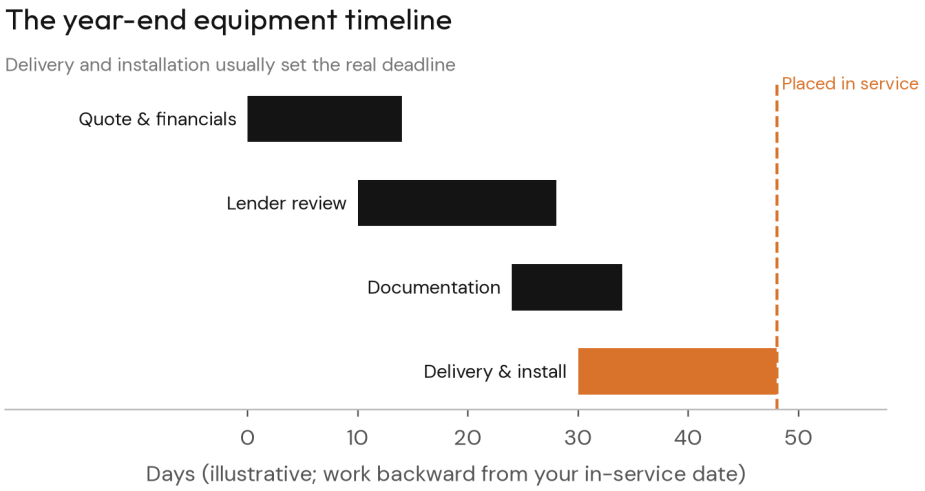
CORE SOLUTION 03

Equipment loans: keep the cash, own the asset

An equipment loan finances most of the purchase price of machinery, vehicles, medical systems or technology, with the equipment as collateral. The company owns the asset. For tax-planning purposes, financed equipment that the company owns can generally be treated the same way as equipment bought with cash — confirm your situation with a tax advisor, because Section 179 limits, bonus depreciation and placed-in-service rules change.



Paying cash for a $2 million machine removes $2 million of liquidity. Financing it with an illustrative 20% down payment keeps $1.6 million in the business for payroll, inventory or the next opportunity. Down payments, terms and rates vary by lender, asset type and credit profile.



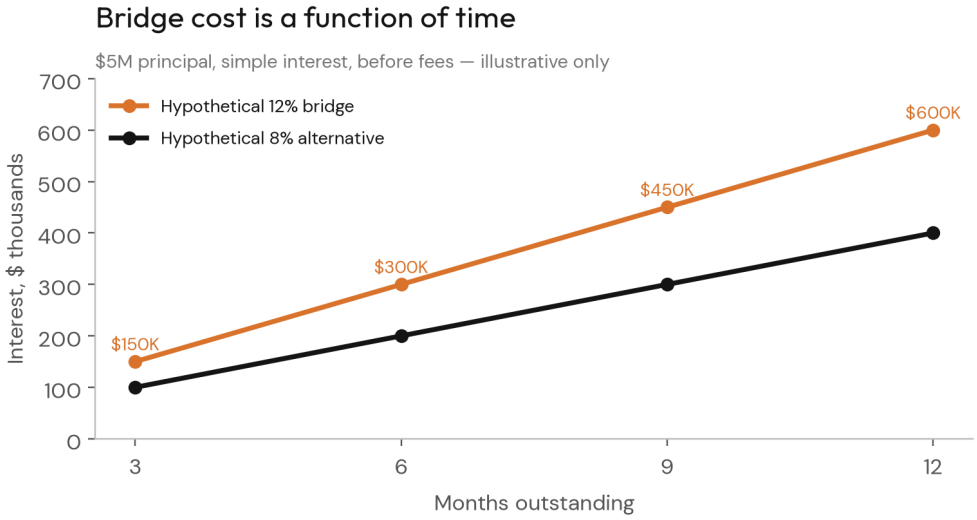
Year-end purchases fail most often on logistics, not credit. Work backward from the date the equipment must be delivered, installed and in use. Published guidance for equipment financing is $50K – $10M+ over 1 – 7 years.

CORE SOLUTIONS 04 & 05

Bridge and term loans: timing capital and growth capital

Bridge loans

A bridge is short-term capital used to close an acquisition, complete a transaction or fund an opportunity before longer-term capital is available. It is priced for speed and flexibility, so its cost depends heavily on how long it stays outstanding.



On an illustrative $5 million bridge, every extra three months at a hypothetical 12% adds about $150,000 of interest before fees. That is why the exit — sale proceeds, committed equity or a longer-term facility — should be documented before closing. Published guidance: $100K – $15M+ over 3 – 18 months.

Term loans

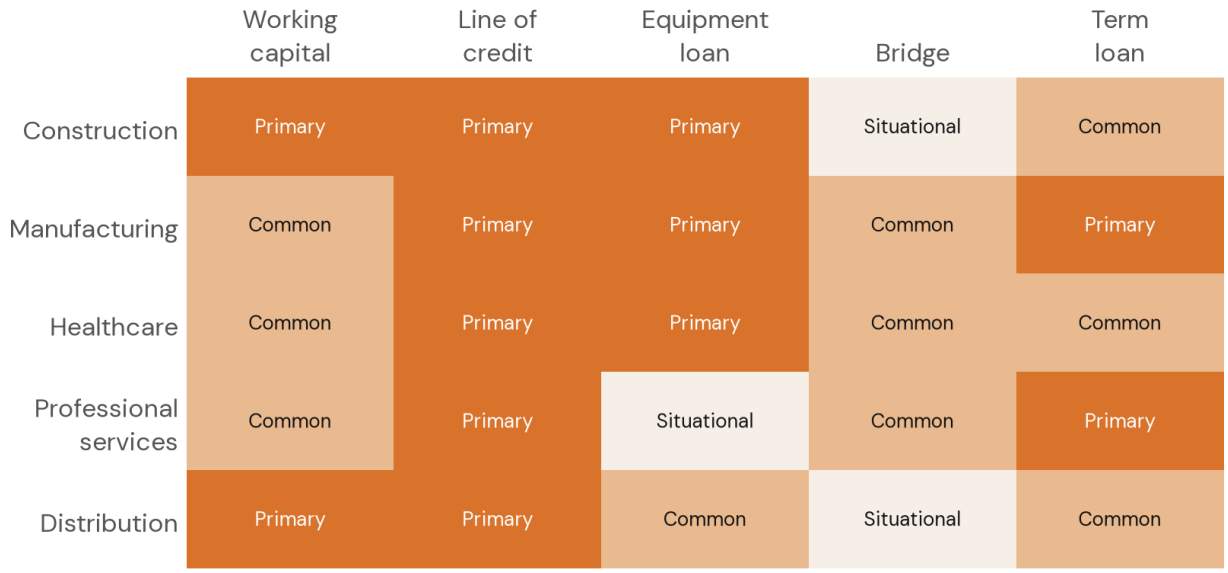
A term loan funds a defined, long-lived purpose: an expansion, a facility build-out, an acquisition or a significant investment in capacity. Repayment comes from operating cash flow over the term, so lenders focus on historical earnings, debt-service coverage and how the investment supports future cash generation. Once terms are agreed, closing is often within one to two weeks. Published guidance: $50K – $25M+ over 1 – 7 years.

INDUSTRY OUTLOOK

Growth, pressure points and openings by sector

Industry	2026 pressure points	2027 openings
Commercial construction & trades	Retainage, materials timing, payroll ahead of progress billings	Credit lines sized to backlog; equipment loans for fleet and machinery replacement
Manufacturing	Long equipment lead times, inventory carrying costs, automation investment	Capacity equipment, term capital for expansion, revolving lines for inventory
Healthcare & specialty practices	Reimbursement lag, imaging and clinical equipment costs, expansion build-outs	Medical equipment financing, practice credit lines, acquisition bridge capital
Professional & B2B services	Larger receivables, hiring ahead of revenue, partner transitions	Working capital lines, term capital for acquisitions and buy-ins
Wholesale & distribution	Supplier pricing changes, inventory builds, customer payment terms	Larger revolving lines, working capital facilities tied to the operating cycle

Where each solution tends to fit



Tzortzis Capital placement view — directional, not an eligibility determination

The matrix reflects where each structure most often fits in our placement work. It is directional; eligibility always depends on the company's financials and independent lender review.

2027 PLACEMENT PLAYBOOK

Six moves to make before the first quarter closes

01 **Review your cash conversion cycle.**
Measure inventory, collection and supplier days. Size working capital to the growth plan, not today's balance.

02 **Arrange the line from strength.**
Request a renewal or new line while results are solid, and understand covenants before you sign.

03 **Build the 2027 equipment calendar.**
List each purchase, its vendor lead time and its in-service date, then work backward.

04 **Document every bridge exit.**
Write down the repayment source, the date and what happens if it slips three months.

05 **Prepare the lender package once.**
Three years of financials, year-to-date results, debt schedule, aging reports and a one-page use of funds.

06 **Compare structures, not just rates.**
Fees, amortization, prepayment terms and reporting requirements change the true cost.

Work with Tzortzis Capital

Tzortzis Capital is a capital advisory and placement firm. We evaluate your transaction, structure the request, identify the capital providers most likely to fit — banks, private credit funds and specialty finance companies — and guide the process through closing. You get an honest read on fit and structure, typically within 24–48 hours.

Explore your options: tzortziscap.com/contact

Important disclosure. Tzortzis Capital is not a lender and does not make credit decisions. Independent capital providers determine eligibility, pricing, documentation and closing timing. Published ranges are indicative program guidance, not approvals, offers or commitments. Charts use illustrative assumptions. This report is educational and is not tax, legal, accounting or investment advice.