



## **INTERMEDIATE & ADVANCED COMMERCIAL LENDING WORKSHOP**

**October 16 – 18, 2019 • North State Bank Mortgage • Raleigh, NC**

Instructor: Jeffery Johnson – Senior Consultant, Bankers Insight Group

### Wednesday, October 16<sup>th</sup>

8:30 – 9 am	<b>Registration / Continental Breakfast</b>
9 – 10:30 am	<b>In Session</b>
10:30 – 10:40 am	<b>Break</b>
10:40 am – 12pm	<b>In Session</b>
12 – 1 pm	<b>Lunch</b>
1 – 2:30 pm	<b>In Session</b>
2:30 – 2:45 pm	<b>Break</b>
2:45 – 4 pm	<b>In Session</b>
4 pm	<b>Adjourn</b>

### Day 1 Topics:

- Understand the role and importance of commercial lending in the banking industry
- Identify the information required to make a financial assessment
- Know key accounting principles, assumptions and the rules of debits and credits, which is required to understand how financial statements are created
- Review a full set of financial statements and tax returns
- Calculate basic ratios to determine financial strength including liquidity, leverage, asset management, operating performance and cash flow
- Structure loans properly to match the financial requirements of the borrower

### Thursday, October 17<sup>th</sup>

8:30 – 9 am	<b>Registration / Continental Breakfast</b>
9 – 10:30 am	<b>In Session</b>
10:30 – 10:40 am	<b>Break</b>
10:40 am – 12pm	<b>In Session</b>
12 – 1 pm	<b>Lunch</b>
1 – 2:30 pm	<b>In Session</b>
2:30 – 2:45 pm	<b>Break</b>
2:45 – 4 pm	<b>In Session</b>
4 pm	<b>Adjourn</b>

### Day 2 Topics:

- Understand the role and importance of commercial lending in the banking industry
- Identify the information required to make a financial assessment
- Know key accounting principles, assumptions and the rules of debits and credits, which is required to understand how financial statements are created
- Review a full set of financial statements and tax returns



- Calculate basic ratios to determine financial strength including liquidity, leverage, asset management, operating performance and cash flow
- Structure loans properly to match the financial requirements of the borrower

Friday, October 18<sup>th</sup>

8:30 – 9 am	<b>Registration / Continental Breakfast</b>
9 – 10:30 am	<b>In Session</b>
10:30 – 10:40 am	<b>Break</b>
10:40 am – 12pm	<b>In Session</b>
12 – 1 pm	<b>Lunch</b>
1 – 2:30 pm	<b>In Session</b>
2:30 – 2:45 pm	<b>Break</b>
2:45 – 4 pm	<b>In Session</b>
4 pm	<b>Adjourn</b>

Day 3 Topics:

- Analyzing industry, business and management risks
- Advanced ratio analysis
- Financial impact analysis to determine the impact on cash flow from changing financial metrics (credit ratios)
- Net working investment analysis utilized to determine the amount required to fund a business, short-term financing requirements (the essence of loan structuring)
- Financial forecasting and sensitivity analysis to determine a business's ability to generate cash flow into the future to service existing and proposed debt
- Calculating sustainable growth which is the rate revenue can grow without increasing leverage to an unmanageable level
- Uniform cash flow and global cash flow analysis for borrowers with interest in multiple entities
- How to write an effective credit memorandum