

FAQ's

Who is SkyView Partners?

SkyView Partners focuses exclusively on the financing and banking needs of independent and registered financial advisors. We provide financial advisors with guidance and capital for succession, merger, acquisition, and existing advisory loan refinancing.

SkyView Partners is comprised of financial advisory veterans and advisory loan lending specialists, who quantify the value of your practice for submission to our network of lenders. Our team encompasses the following:

- **Divisional Directors** are responsible for setting you on the right path to achieve your financing needs with SkyView.
- **Our M&A Team** is responsible for qualitative assessment (percent of revenue recurring, portfolio diversification, etc.) of your practice and communicating with our lenders on your behalf.
- **Relationship Managers** are responsible for ensuring that your loan application continues to progress throughout the application process.
- **Our Credit Team** is responsible for the quantitative assessment (cash flow coverage, loan to value, etc.) of your practice.

What types of advisory loans does SkyView Partners offer?

SkyView Partners offers conventional, commercial advisory loans for succession, merger, acquisition, and existing advisory loan refinancing.

Who are SkyView Partners' network of lenders?

SkyView Partners has a carefully selected, established network of national, regional, and community banks, that have been through our rigorous due diligence process. SkyView will pair you with the bank partner that can best achieve your financing needs and wealth management practice goals.

How does it work?

SkyView Partners underwrites your capital request, then submits your loan application to our network of lenders via our [Lender Marketplace](#). Our breadth of lenders provides our clients with confidence that their transaction is funded from an efficient and cost effective lender.

RATES, FEES & TERMS

What is the rate?

Advisory loan rates commonly vary between 5.5% and 6.75% fixed when the borrower is securing the loan solely with the future cash flow of the practice, and without any tangible collateral (commercial real estate, etc.).

Are there any other fees, such as origination?

Yes, advisory loans have an origination fee around 2%. The origination fee can be fully financed; as a result, there are no out-of-pocket costs to the advisor.

What are the terms?

Loans can be structured to fully amortize over the loan term, meaning the principal is completely paid off over the term of the loan. Alternatively, we commonly employ a 7 year term with a 10 year amortization. The loan must be paid off in 7 years; however, the advisor is making payments as if the loan had a 10 year term. The advisor can prepay additional principal to fully repay over the 7 year term, or pay the minimum payment due, and have a residual balance remaining at the end of the loan term that can be paid in full or refinanced.

Assuming our borrowers make timely payments over the loan term, banks appreciate seasoned borrower requests to finance the residual due at term for the remaining 3 years. Oftentimes, the borrower enjoys a more competitive rate for the residual due to their bank's increased confidence in their ability to repay a loan.

How is SkyView Partners compensated?

SkyView Partners charges zero application fees. We are only compensated when the advisor is funded by one of our banks. Our origination fee can be fully financed into loan proceeds.

Our fee does not fluctuate based on the interest rate charged or bank utilized; as a result, our goal is aligned with the borrower: retaining the best bank partner for their long-term M&A growth strategy.



THE PROCESS

How long does it take for me to get the funding?

SkyView Partners can underwrite your loan request, solicit offers from our network of banks, and fund within approximately three to four weeks.

What causes the loan funding process to go slower?

Most advisory loans do not close in three weeks, primarily because the advisor has not completed all of the steps (commonly, the collection of requisite documents such as tax returns) required to begin underwriting.

What is the loan process?

STEP ONE:

Fill out the **Pre-Approval Form** (approx 5 min) at www.SkyView.com.

If approved, we will email you instructions to create a login for our online application portal.

STEP TWO:

Create an account for **SkyView's AdvisorAccess™ Online Application Portal** and fill out loan application (15 min).

STEP THREE:

Fill out the **Loan Questionnaire** (20 min) and **sign Credit Authorization Form** (5 min).

SkyView obtains credit information to help verify credit worthiness.

STEP FOUR:

Fill out the **Personal Financial Statement** (20 min).

STEP FIVE:

Submit documentation (5 min).

Required documents will be listed for uploading to our secure online portal. Our conventional loan structure typically requires 27 – 30 documents to close as opposed to 150 to close an SBA loan.

Where do I obtain the Loan Application and Questionnaire?

After you have been Pre-Approved, you will receive a link to our online Loan Application and Questionnaire via email.

Where do I send my documents?

After you have been Pre-Approved, you will receive a link to upload all documents directly to our secure server.

THE ADVISORY LOAN MARKET

Why is it difficult to get an advisory loan?

Historically, banks have been very reluctant to lend to financial advisory practices because most have nominal tangible assets and fluctuating cash flows from commission-based compensation. As recurring fees have become more common, we have been able to educate select banks who are willing to fund advisory loans, despite negative tangible asset valuations.

VALUATIONS & DEAL STRUCTURE

SkyView Partners relies on industry experts to help value and structure your advisory merger or acquisition.

Valuation Experts: Third party valuations are required by all of our lenders. Several firms offer practice valuations for varying prices and levels of service including: Succession Resource Group (SRG), Devoe & Company, Echelon Partners, FP Transitions, Truelytics, Key Management Group and Smart Concepts.

M&A Consultant: Our M&A Consulting Team is led by Aaron Hasler with over 15 years' experience in advisory practice investment banking. SkyView does not offer sell side representation and cannot complete third party valuations. Aaron works with applicants and M&A consulting firms to ensure that the transaction is eligible for bank financing.

In general, what is an advisory practice worth?

Oftentimes, advisory practices with a larger portion of their revenue generated from recurring advisory fees attract valuations of 2.5x – 3.5x trailing revenue. Fees generated from non-recurring sources (A shares, closed end REITS, etc.) typically receive valuations of 0.75x – 1.25x.

For more information contact us at:
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