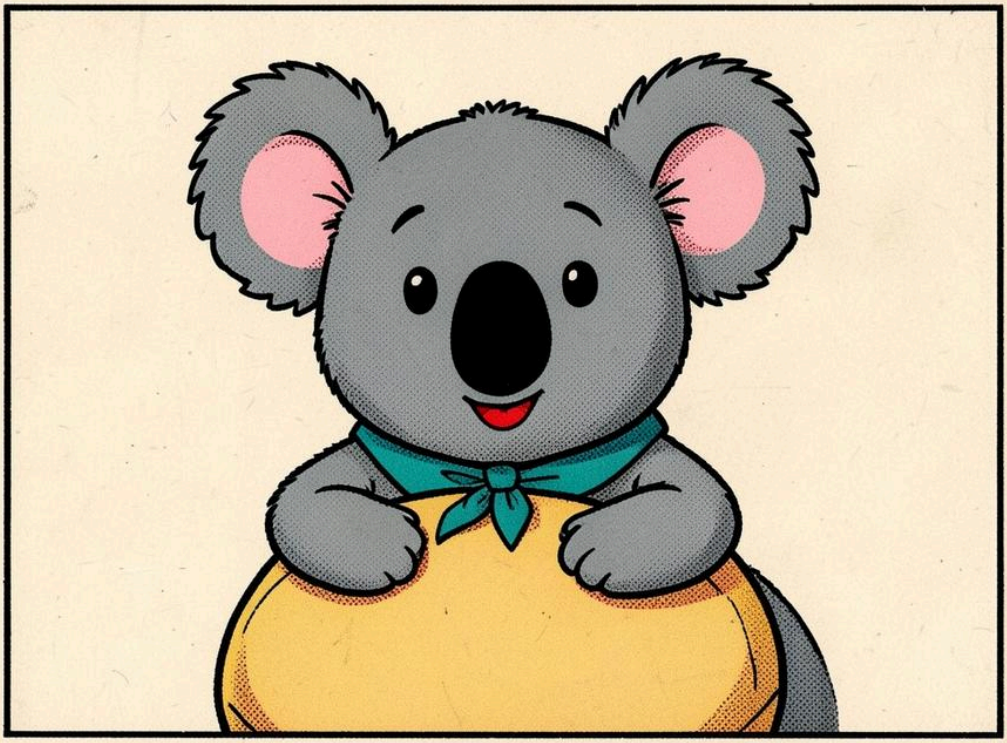
NORA LENDS IT ALL



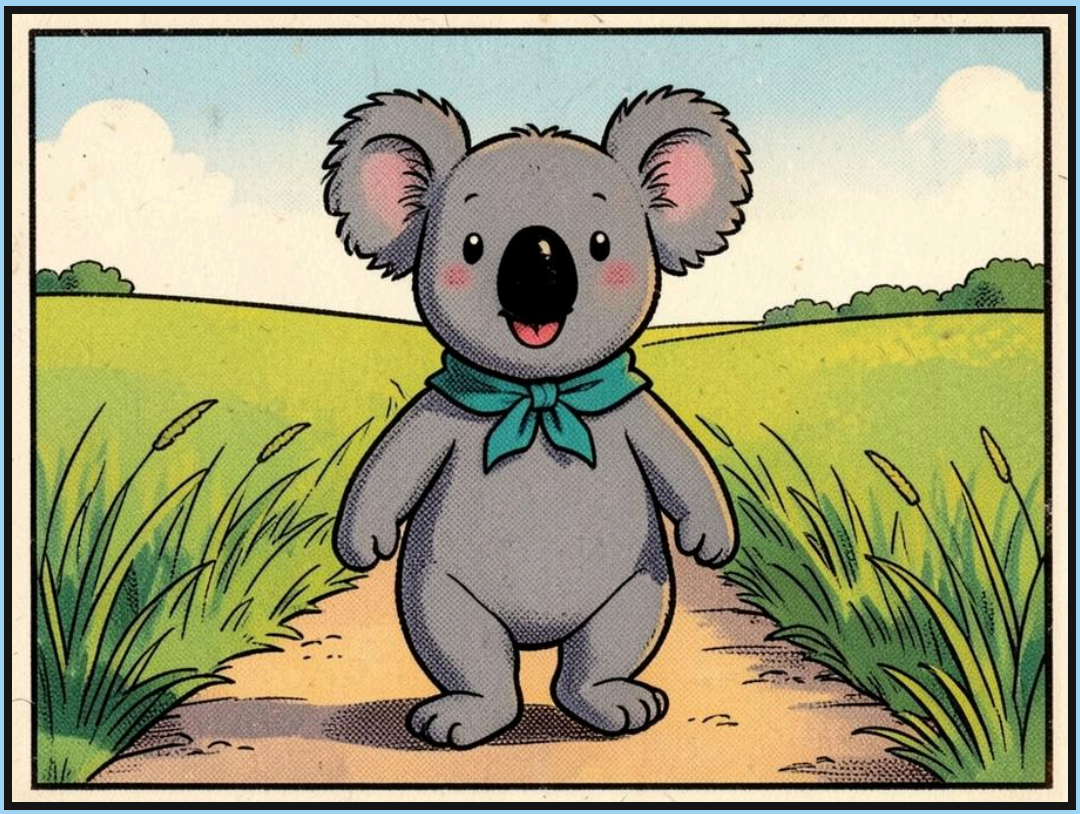
FundOpsHQ

A story about a unitranche loan

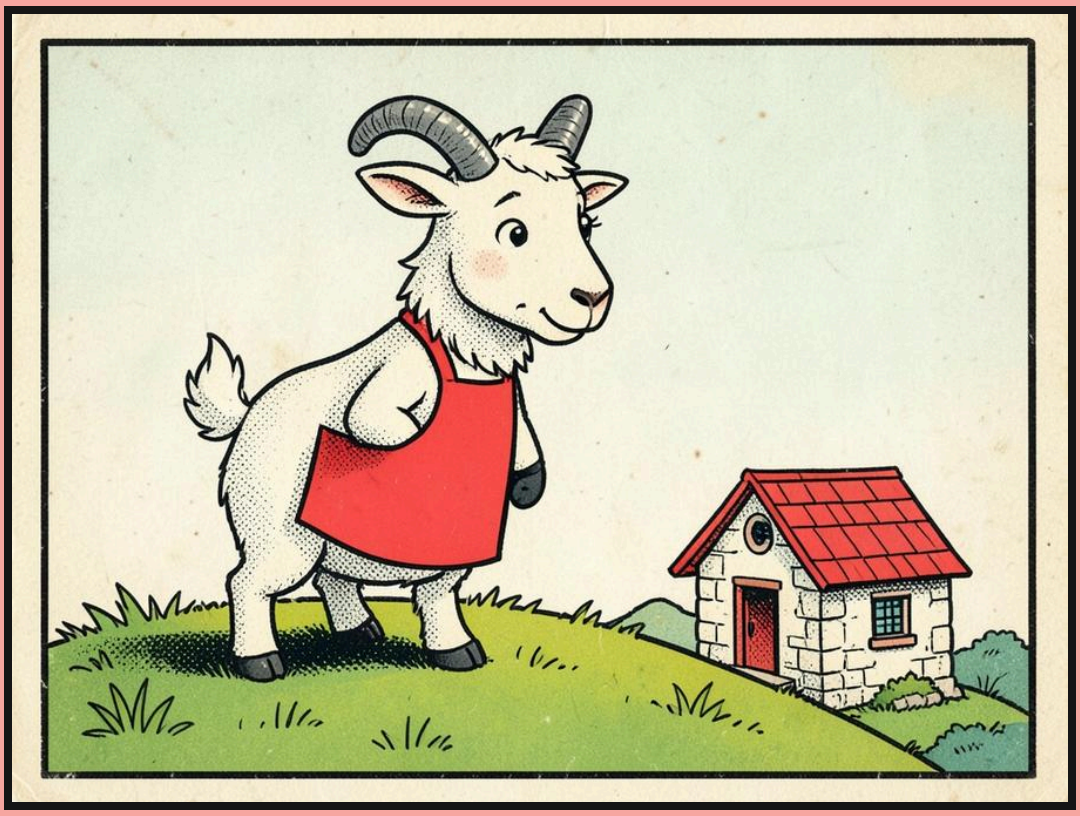


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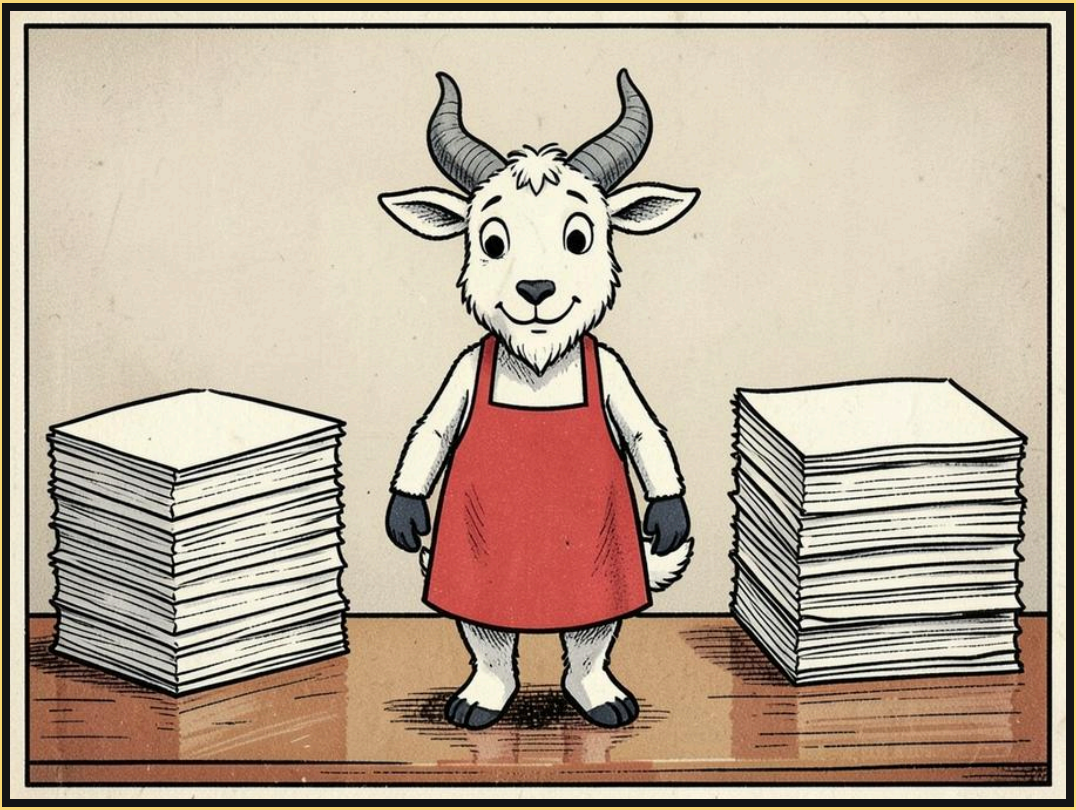
Nora the koala ran a fund that lent money to businesses. Each loan was paid back over time, with interest every three months.



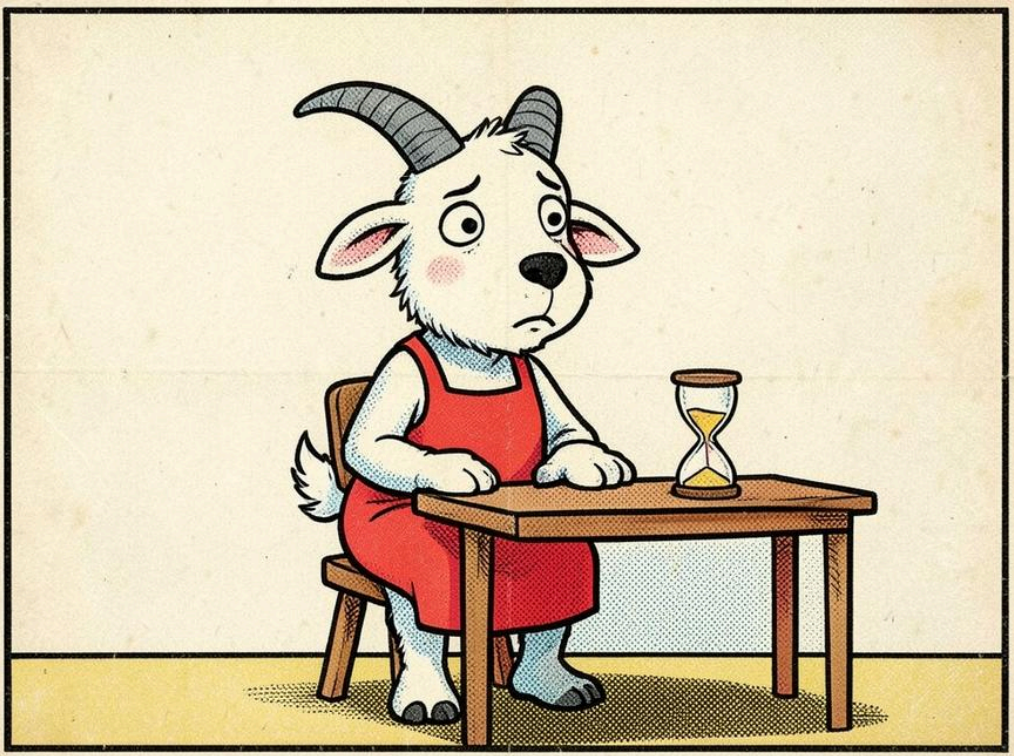
Over the hill, Greta the goat's fund wanted to buy an old cheese dairy. Its owner was retiring and wanted a quick, sure sale.



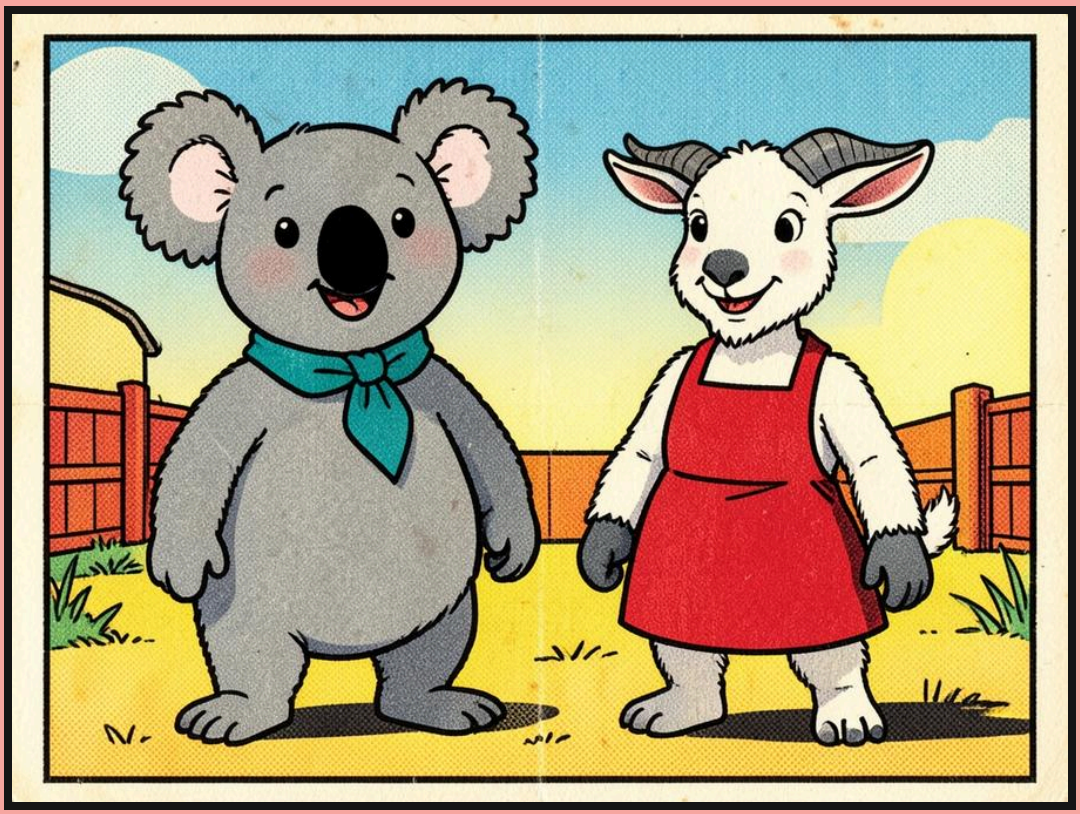
The price was 100 coins. Greta's fund would put in 50 of its own and borrow the other 50.



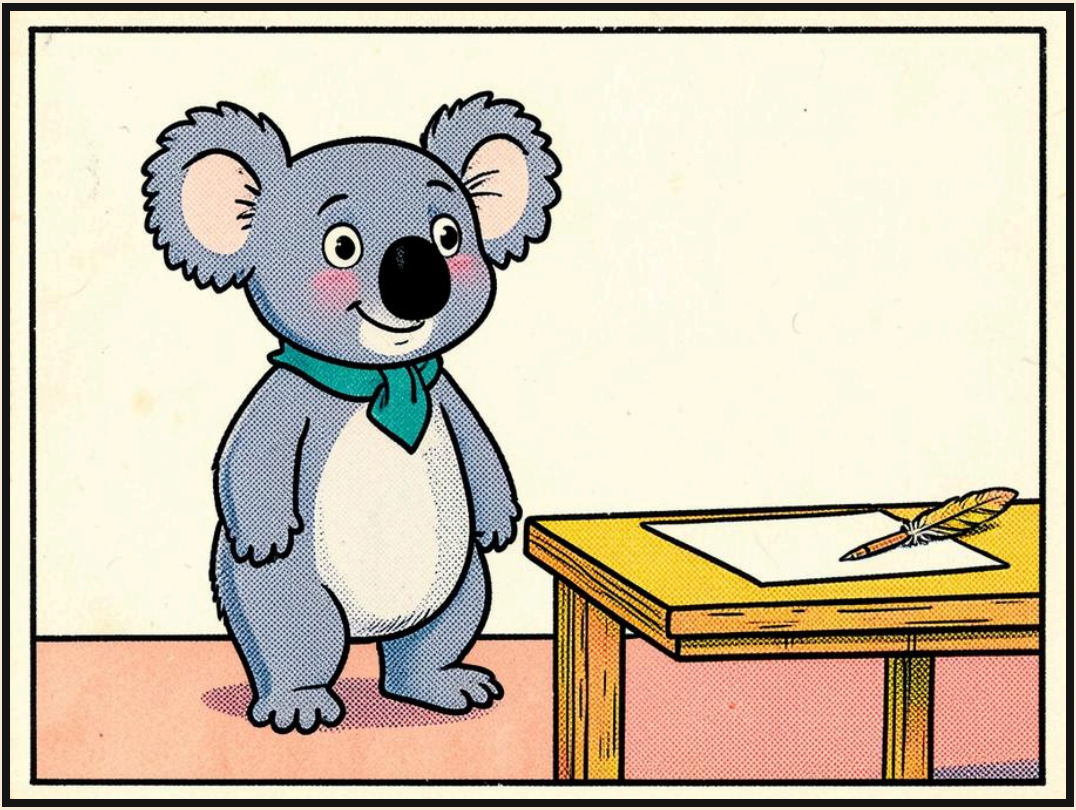
The usual way was two loans: a senior loan, paid back first at a lower rate, and a junior loan, paid back after it at a higher one.



Two lenders meant two sets of papers and an agreement between the lenders too. That could take weeks, and another buyer was waiting.



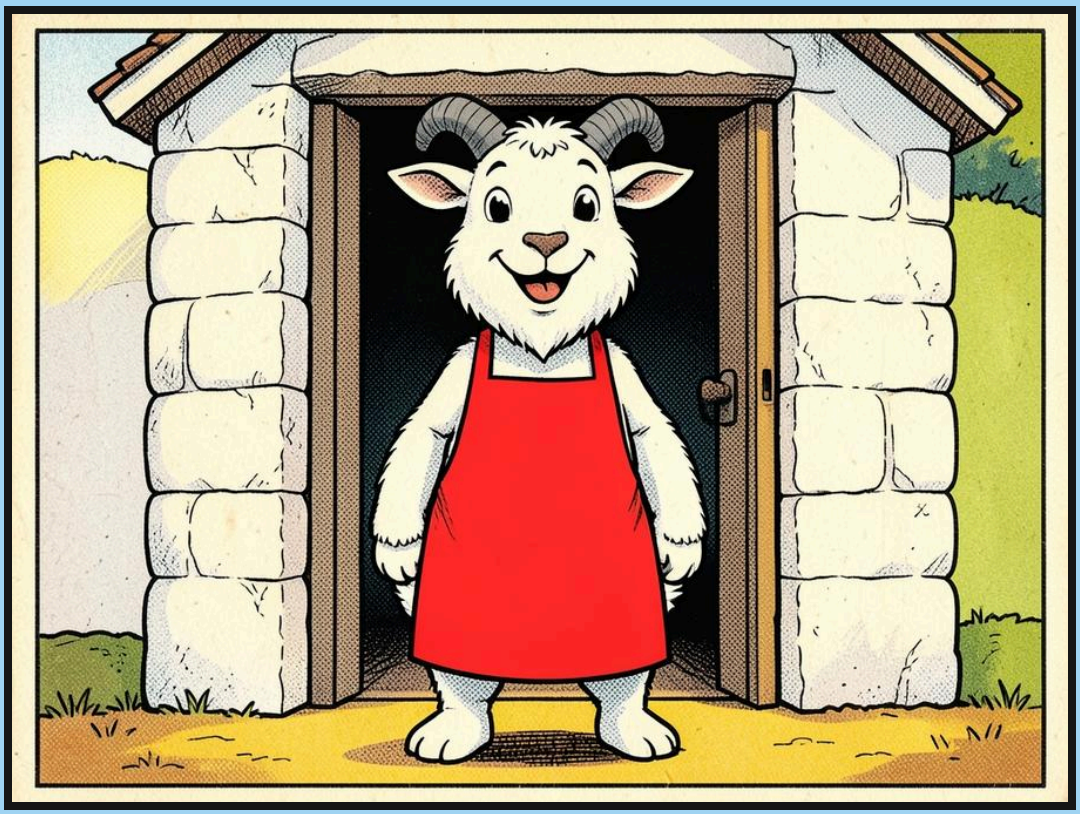
Then Nora came to see her. "My fund will lend you all 50," she said, "in one loan."



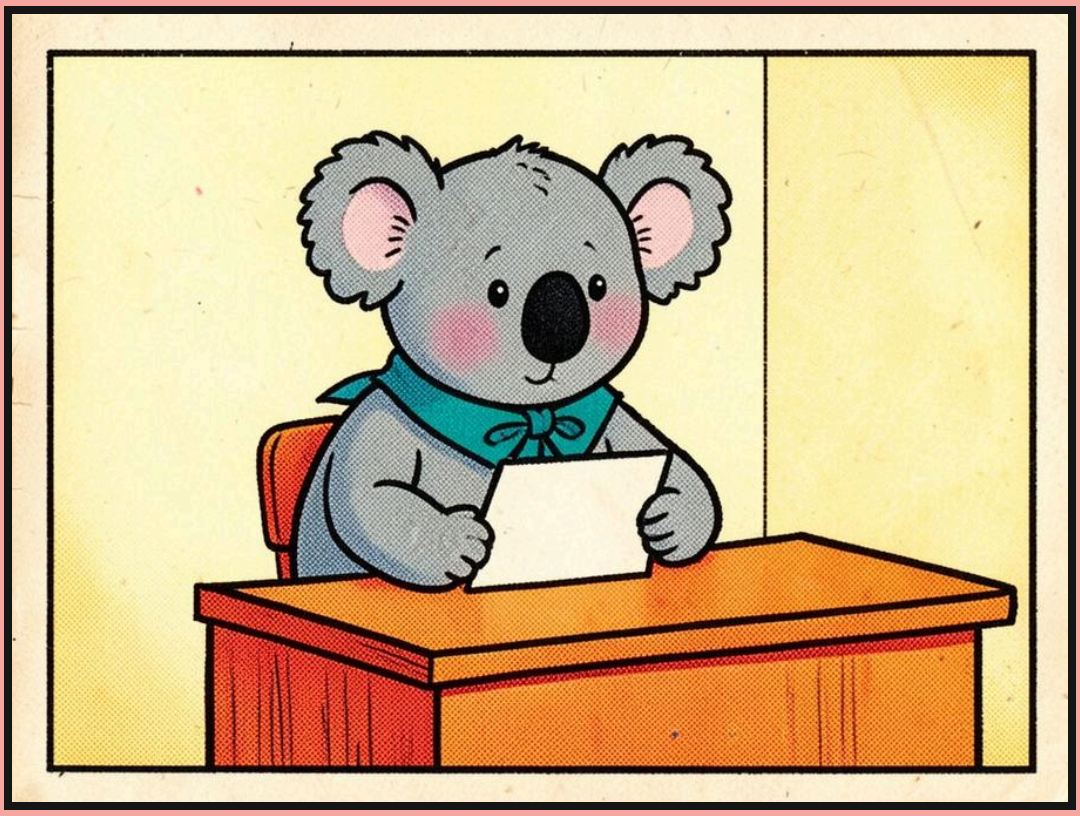
One loan, one set of papers and one rate, between the senior rate and the junior rate. This is called a unitranche loan.



It was good for Nora's fund too. It earned more than on a senior loan alone, and it held the whole loan, with no other lender to agree with.



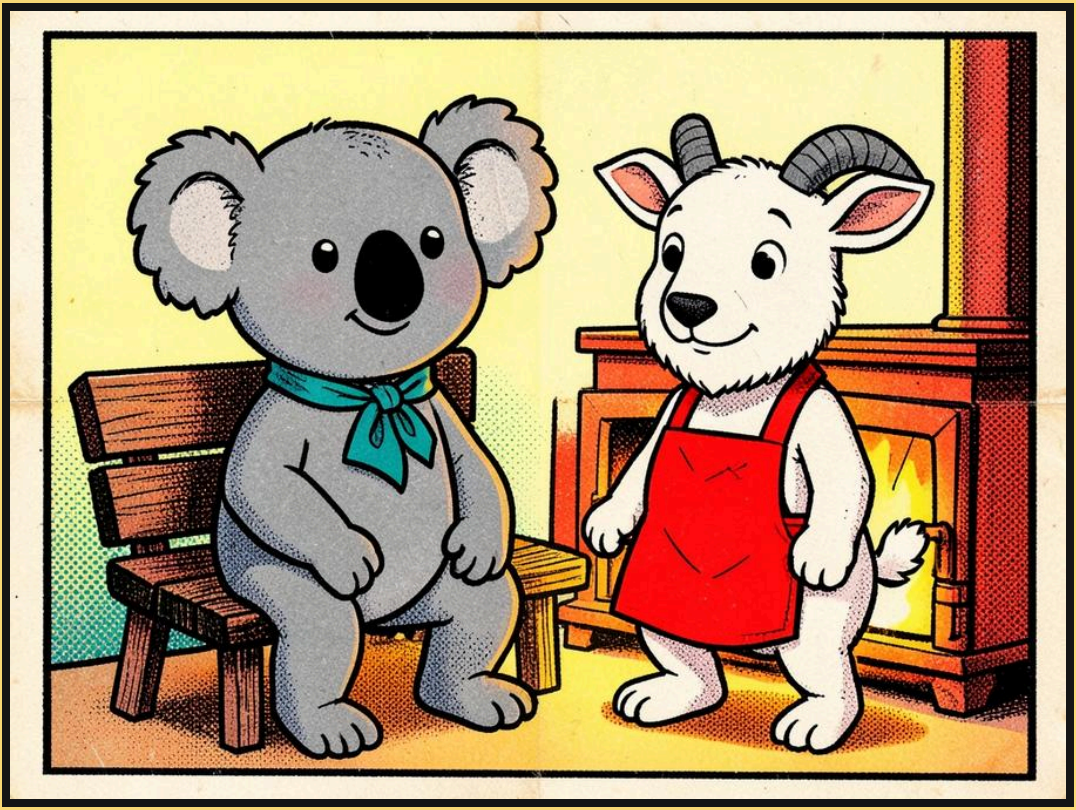
Greta said yes. The sale was done in good time, and the old owner went off to enjoy the sea.



The loan came with promises. Every three months the dairy sent Nora its numbers, and its debts had to stay below a set limit next to what it earned.



One cold winter the cows gave less milk, and the dairy's numbers slipped close to the limit.



With only one lender, Greta had only one friend to talk to. She and Nora agreed a plan in an afternoon.



By summer the dairy was busy again. Years later it was sold, and Nora's loan was paid back in full. "One loan," said Greta. "One friend."



A NOTE

The words in this book are real ones, explained simply. The animals and examples are made up, and real terms vary from fund to fund. It is not advice. The pictures were drawn with an AI image model and checked by hand.

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