

# RESOLUTE

# INDEX

## BANKRUPTCY | RECEIVERSHIP

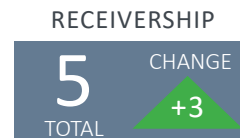
Welcome to the Resolute Index. This index presents an analysis of 2018 Arizona workout filings and industry conditions. The fourth quarter of 2018 reflected uncertainty for the middle market with inflation and tight labor receding confidence. Prevalent concerns for 2019 include pricing, labor shortage, and global trade challenges which are projected to continue throughout the year as companies look to increase costs to customers and renegotiate terms with vendors or suppliers. Given the continued market expansion, an inflection point for the workout industry is unknown for 2019.

NEUTRAL

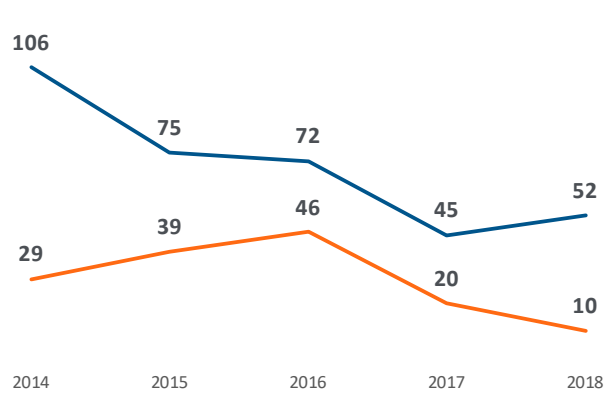
WORKOUT TREND

### Q4 2018 AZ WORKOUT FILINGS

Quarterly comparison year over year, business filings with \$1MM+ in liabilities.



### AZ WORKOUT ENVIRONMENT \$1MM+ LIABILITIES

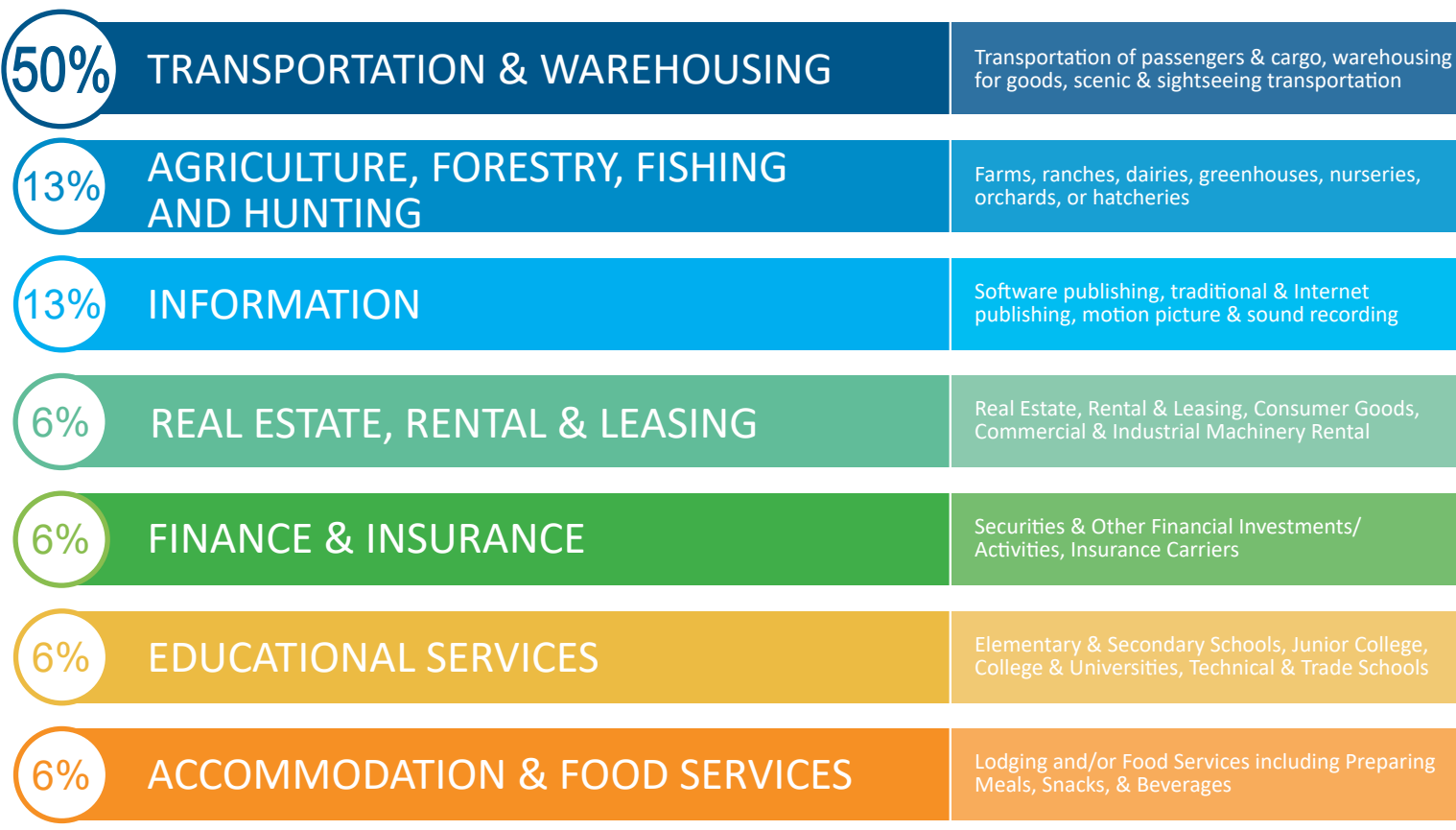


**50%** AZ Bankruptcy filings have decreased 50% in the last five years

**65%** AZ Receivership filings have decreased 65% compared to five years ago

NO CORRELATION

### 2018 FILINGS BY INDUSTRY \$1MM+ LIABILITIES



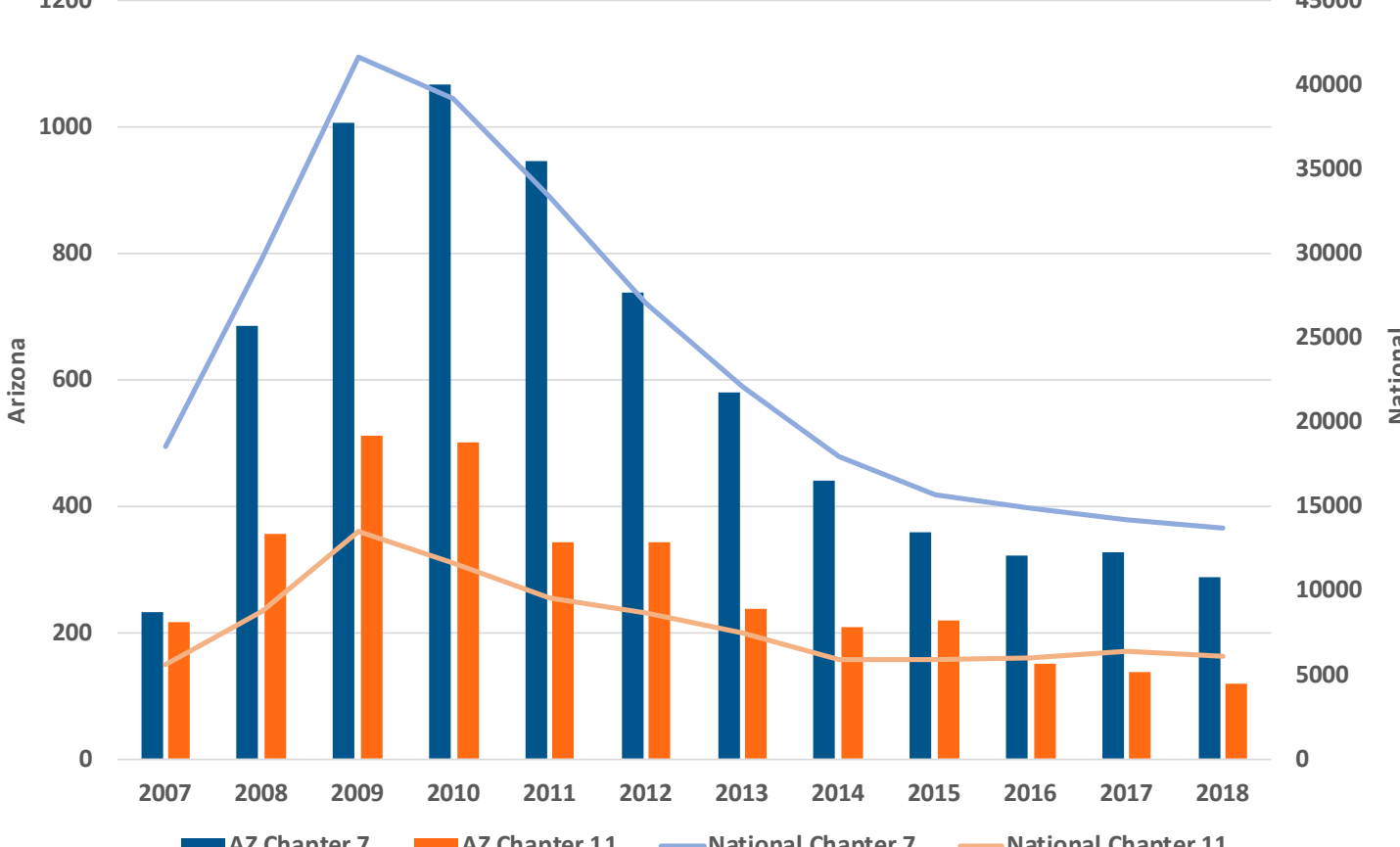
**87%** of filings fall in the Service Industry

### STATE OF THE WORKOUT ENVIRONMENT

To gain real-life insight into the overall workout environment, the State of the Workout Environment Survey was distributed to workout professionals in both attorney and lender capacities. The survey was conducted from February 27, 2019 to March 6, 2019 and the survey results were combined to provide the below industry specific information.



### AZ vs. NATIONAL BANKRUPTCY FILINGS



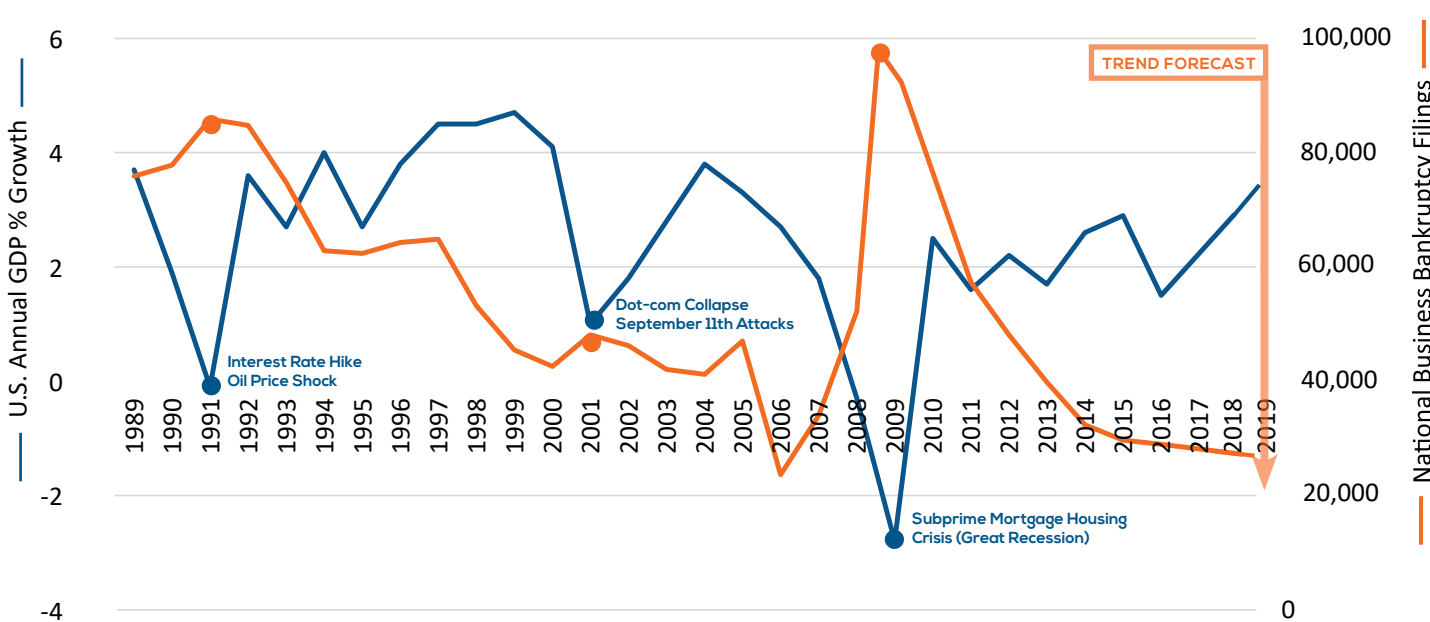
**15%**

Arizona accounted for 15% of the 2018 Chapter 11 Business Filings within the 9th Circuit

National Chapter 11 filings decreased slightly in 2018

Arizona decreased by 13%

### CURRENT INDUSTRY TREND FORECAST



#### ABOUT THE RESOLUTE INDEX

The Resolute Index was created to provide an overall interpretation of Arizona's workout industry trends. This report analyzes the individual workout dynamics at play in the State of Arizona and its comparison with those same metrics on a national level. Our proprietary database of receivership and bankruptcy filings for entities with assets over \$1MM creates a unique vantage point rarely measured. The Resolute Index shares our assessment of the overall workout environment as it relates to the data compiled in our research.

RESOLUTE

problems solved.

#### ABOUT RESOLUTE

For more than ten years, Resolute has been providing solution-oriented financial advisory services including Corporate Renewal, Receivership, Forensic Accounting and Litigation Support services. Resolute has provided services in 33 states across the country and has been involved with more than 300 distressed credits with assets totaling over \$1 Billion. Resolute's ability to maximize value in entangled business situations has been utilized by financial institutions, corporations, law firms, and state and federal courts. Contact us for more information.

[www.resolutecommercial.com](http://www.resolutecommercial.com)



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