

How to Get Money

(Get a Business Loan)



SCORE[®]
Counselors to America's Small Business

WWW.SCORECR.ORG
Call 1-(319)366 6405 (x2005)

Application Process

- **THINGS THAT MATTER:**
 - PERSONAL CHARACTER
 - PERSONAL CREDIT
 - (A CREDIT SCORE OF 680-720 IS CONSIDERED "A.")
- **OBTAIN ONE COPY OF YOUR CREDIT REPORT WITH CREDIT SCORE.**

Business Plan

PREPARE A CONCISE BUSINESS PLAN:

THERE ARE MANY SOURCES AVAILABLE FROM SCORE
ON HOW TO WRITE A BUSINESS PLAN.

Business Plan

Key Items to be Included Are



- TYPE OF BUSINESS
- PROFIT AND LOSS PROJECTIONS
- COLLATERAL (“EQUITY INJECTION”)
- CAPACITY--HOW MUCH CAN YOU HANDLE
- INDUSTRY KNOWLEDGE
- HOW WILL YOU USE THE MONEY IN THE BUSINESS
 - E.G. INVENTORY, EQUIPMENT, STARTUP CASH

Where to Go for Your Business Loan



**Live Your Dream. SCORE
Can Help.**

To find the office nearest you, call
SCORE toll-free at 1-800/634-0245,
or visit www.score.org and click
on "Find SCORE."

- GO WHERE YOU HAVE A PERSONAL LOAN; THEY KNOW YOU.
- ASK BUSINESS PEOPLE FOR ADVICE.
- GET A THIRD PARTY REFERRAL BEFORE GOING IN.

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How are You Going to Pay the Loan Back?

- DETERMINE THE CASH FLOW THAT THE BUSINESS WILL GENERATE.
- HOW QUICKLY CAN YOU TURN CASH USED BY THE BUSINESS BACK INTO CASH RETURNED TO THE BUSINESS?

What Lenders and Borrowers Want

- YOU WANT A LENDER WHO:
 - WANTS TO MAKE LOANS
 - GIVES HONEST FEEDBACK
 - STAYS WITH YOU IF TIMES GET BAD
 - MAKES A QUICK DECISION
- THE LENDER WANTS BORROWERS WHO:
 - STAY IN CONTACT WITH LENDER
 - REPORT PROGRESS -- GOOD AND BAD
- PROBLEMS CAN BE WORKED OUT.

Common Errors in the Application Process

- POORLY THOUGHT OUT DEAL
- NOT ASKING FOR ENOUGH MONEY
- FAILING TO THINK OUT THE CASH FLOW CYCLE
- LACKING A GOOD BUSINESS PLAN
- NO EQUITY INJECTION