

Business Financing Plan Outline

Information a private-sector lender or the CDA will require to consider a request for a business loan.

This is an outline for the purpose of obtaining credit. It is not a substitute for a [comprehensive business plan](#). New businesses, firms in business for less than five years, should be prepared to submit a comprehensive business plan to a lender when applying for credit.

1. Executive Summary

- Brief Company Summary
- Loan Purpose
- Loan Request

2. Background

- Company*Location, years established, products, size, etc.*
- Management*Experience, education, key individuals, ownership*
- Staffing.....*Number of full-time and/or part-time employees*
- Industry*Viability of industry, growing, stable or in decline. Other issues*
- Competition*Direct and indirect competitors. How will you compete?*

3. Financial Section

- Historical *3 years historical*
- Performa Balance Sheet*As of day of funding (include loans)*
- Three years P&L Projections*Include assumptions behind the numbers*
- One Year Monthly Cash Flow *Show loan funds coming into the business*
- Personal F/S & 3 yrs tax returns*For all owners and guarantors*

4. Loan Request

- Loan Amount*How much are you asking for?*
- Loan Purpose*What will the funds be used for? Be specific*
- Loan Terms*How many years to repay the loan are you requesting?*
- Source & Use of Funds*Show sources & how project will be funded*
- Collateral*What will be pledged to secure the loan?*
- Guarantees *Will there be any non-owner guarantees offered?*

5. Collateral

- List of Collateral *Itemize assets of value in excess of \$5,000*

- Value*Give basis for the value of the collateral*

6. **Summary**

- Summarize what the loan will do for the business
 - Include trade and other appropriate references
 - Include any other pertinent information which would add to the request
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