



PREPARING FOR FUNDING: A SMALL BUSINESS OWNER'S GUIDE

1. Understand Your Business Needs

- Before diving into the financing world, take a moment to evaluate your business needs.
 - How much funding is needed?
 - What are you planning to use it for?
- Understanding these details will guide you to the right funding option and help you determine the amount needed. Don't ask for too little or too much.



2. Create Your Business Plan

- A business plan helps you plan for the present and the future! This document is like your business roadmap.
- Make sure it clearly outlines you:
 - goals, target market, and financial projections.
- A solid plan shows lenders that you mean business and can handle their support responsibly.



3. Get Your Financial Papers in Order

- Round up those financial documents!
 - Tax returns, bank statements, and anything that shows off your business's financial health.
 - Having these ready to go will show lenders that you're organized and speed up the process.



4. Boost Your Creditworthiness

- Maintain good credit by paying bills on time and reducing outstanding debts.
 - A solid credit history, both personal and business, can improve your chance of securing a loan with favorable terms.
- Keep in mind some financial institutions, such as Community Development Financial Institutions (CDFI's) don't solely rely on credit scores for their decisions.
- Whatever your credit score may be, don't let it prevent you from seeking funding!



5. Check Out Your Funding Options

- Explore what's out there!
- Financial institutions offer various funding options, like
 - traditional loans
 - SBA loans
 - lines of credit
 - and many more!
- Each has its perks, so find the one that fits your business needs best.
- See your business banker if you already have a business bank account.



6. Fill Out Your Loan Application

- Ready to take the plunge and invest in your business? Fill out that loan application with accurate info and all the required docs.
- Be ready to explain how you'll use the funds and prove you're capable of paying them back.



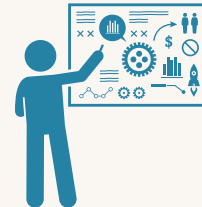
7. Review and Negotiate Terms

- Once offers start rolling in, take your time to review the terms.
- Check interest rates, repayment terms, and any extra fees.
- Don't hesitate to negotiate for better terms—it's your business!



8. Manage Your Funds Wisely

- Congratulations on securing funding!
- Keep a close eye on your financial performance and make timely payments.
 - Responsible management boosts your business's credibility and sets you up for future success.



Need help with next steps?

- Reach out to one of our Resource Connectors!

