Approval of your loan request depends on how well you present yourself, your business and your financial needs to a lender. Remember, lenders want to make loans, but they must make loans they know will be repaid. The best way to improve your chances of obtaining a loan is to prepare a written proposal.

A good loan proposal will contain the following key elements:

**General Information**
- Business name, names of principals, Social Security number of each principal, and the business address.
- Purpose of the loan - exactly what the loan will be used for and why it is needed.
- Amount required - the exact amount you need to achieve your purpose.

**Business Description**
- History and nature of the business – details of what kind of business it is, its age, number of employees and current business assets.
- Ownership structure – details on your company’s legal structure.

**Management Profile**
- Develop a short statement on each principal in your business; provide background, education, experience, skills and accomplishments.

**Market Information**
- Clearly define your company’s products as well as your markets.
- Identify your competition and explain how your business competes in the marketplace.
- Profile your customers and explain how your business can satisfy their needs.

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Financial Information

- Financial statements — balance sheets and income statements for the past three years. If you are starting out, provide a projected balance sheet and income statement sheet for three years.
- Personal financial statements on yourself and other principal owners of the business.
- Collateral you would pledge as security for the loan.

How do I Hire a Consultant?

Consultants can develop plans, solve problems, or provide expertise. Before hiring one:

- **Determine the outcome first.** Define business goals and desired deliverables before talking to a consultant.

- **Gather Information.** Check references, asking about a consultant’s work experience, timeliness, and expertise. Ask consultants to develop a project proposal.

- **Establish expectations.** Manage a consultant like any employee. Sign a written agreement that covers fees, objectives, and progress reports.