5 Tips for Increasing the Chances of Getting a Small Business Loan

1. DO YOUR HOMEWORK
   Get to know lenders in your community to find out which financial institutions in your market make loans in your industry.

2. HAVE A CLEAR MESSAGE
   Be able to articulate your firm’s “value proposition”—why customers will choose to do business with you over another company. Be prepared with a realistic business plan that includes best and worst case scenarios.

3. THINK LIKE A LENDER
   Understand the risks of your business and have a plan to mitigate those risks.

4. DEVELOP AT LEAST TWO WAYS TO REPAY THE LOAN
   Lenders look for primary and secondary loan repayment sources, which can include pledging business or personal collateral.

5. BE UPFRONT WITH ALL OF YOUR INFORMATION
   A lender can be a source of sound advice and counsel, but only if you provide accurate information about your credit and the business. Inform your lender immediately if you encounter a problem that will affect loan payments.

WHAT YOU NEED WHEN YOU APPLY FOR A LOAN

Borrowers should be prepared to provide a lender with the following information:

- Current balance sheet with supporting schedules;
- Record of earning for the past three years;
- Projected cash flow (if a major change in the business is anticipated, a transitional and normal operating year projected cash flow may be required);
- Good set of records showing production plans, short- and long-range goals, and procedures for implementation and evaluation;
- Information concerning personal debt, including credit cards; and
- Information concerning the amount and stability of outside-of-business income.

Source: South Carolina Bankers Association and the American Bankers Association
Small Business Administration, South Carolina District Office
1835 Assembly Street, Suite 1425
Columbia, SC 29201
(803) 765-5377
www.sba.gov/about-offices-content/2/3145

Small Business Development Centers (SBDC)
University of South Carolina
Columbia, SC 29634-1392
(803) 777-4907
www.scsbdc.com

South Carolina Department of Commerce, Small and Existing Business Division
1201 Main Street, Suite 1600
Columbia, SC 29201
(803) 737-0222
www.scommerce.com

Service Corps of Retired Executives (SCORE)
1835 Assembly Street, Suite 1425
Columbia, SC 29201
(803) 253-3124
www.scoremidlands.org

National Federation of Independent Business—South Carolina
P.O. Box 5734
Columbia, SC 29250
(803) 254-1476
www.nfib.org

South Carolina Chamber of Commerce, Small Business Committee
1201 Main Street, Suite 1700
Columbia, SC 29201
(803) 799-4601
www.scchamber.net

South Carolina Small Business Chamber of Commerce
1717 Gervais Street
Columbia, SC 29201
(803) 252-5733
www.scsbc.org

Governor’s Office of Small & Minority Business Assistance
1205 Pendleton Street, Suite 440-A
Columbia, SC 29201
(803) 734-0507
www.oepp.sc.gov/oslmba

South Carolina Minority Business Center
1515 Richland Street
Columbia, SC 29201
(803) 743-1154
www.mbd.gov

Carolinas Minority Supplier Development Council
10400 Mallard Creek Road, Suite 206
Charlotte, NC 28262
(704) 549-1000
www.carolinasmsdc.org

Benedict College Business Development Center
2601 Read Street
Columbia, SC 29204
(803) 705-4781
www.benedict.edu/divisions/business_devCtr/bc_business_devCtr.html

City of Columbia
1225 Lady Street, Suite 102
Columbia, SC 29201
(803) 545-3373
www.columbia.sc.gov

University of South Carolina, Columbia Technology Incubator
1225 Laurel Street
Columbia, SC 29201
(803) 545-4379
http://incubator.research.sc.edu

Biz Builder SC
P.O. Box 975
Charleston, SC 29402
(843) 805-3089
www.bizbuilder.sc.com

Internal Revenue Service (IRS)
1835 Assembly Street
Columbia, SC 29201
(803) 253-3031
www.irs.gov

South Carolina Business One Stop
(803) 898-5690
www.scbos.sc.gov