

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

South Carolina State Resources

**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.sccommerce.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.sccchamber.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.oep.sc.gov/osmba

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

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

**Benedict College Business
Development Center**
2601 Read Street
Columbia, SC 29204
(803) 705-4781
www.benedict.edu/divisions/business_dev_ctr/bc_business_dev_ctr.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.bizbuildersc.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



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