



# Keys to Success: How to Develop an SBA Loan Proposal

If you think a low-interest loan is right for your business needs, take at least 30 minutes to consider this worksheet. Based on the U.S. Small Business Administration's "Preparing and Presenting a Loan Proposal," this worksheet should lay the foundation for your loan proposal. Allow yourself time to seriously consider each question on the worksheet. While these questions may be answered instantly, your full proposal will likely take several hours to complete.

## **The SBA suggests using a loan proposal to answer the following questions:**

Who are you? \_\_\_\_\_  
\_\_\_\_\_

How much do you need? \_\_\_\_\_  
\_\_\_\_\_

How are you going to pay it back? \_\_\_\_\_  
\_\_\_\_\_

What happens if you can't pay it back? \_\_\_\_\_  
\_\_\_\_\_

## **The SBA Web site suggests incorporating the following elements into your proposal:**

- The proposal should begin with a summary that explains how the money will be used, repaid and how it will aid your business.
- Include profiles and resumes of yourself and top management officials.
- Describe your business. Show that you have an understanding of the industry as well as market trends.
- Provide two to three years worth of projected income and cash flow statements.
- Present business and personal financial statements.
- Describe in detail how the money will be used.
- When determining how much to ask for, your primary questions should be, "What do I need?" and, "How much money will they lend?"—not, "Will they lend me money?"
- Propose the loan repayment terms that you are seeking.