

BUSINESS PLAN

The purpose of this business plan is to provide you, the owner and the Lender, with an operating guideline for the management of your business and to show the Lender the time and effort put into the planning of your business start-up or the continuance of your existing business.

The business plan services three important functions: 1. It is a chance to try out ideas and make mistakes on paper rather than in the real world with real people and real money. 2. The plan is a tool to measure the business performance. 3. Any realistic attempt to borrow money for the business must include such a plan for the lender to make a judgment on the likelihood of the business success.

THIS IS A BUSINESS PLAN

OF

DATED

Prepared by

**I
INTRODUCTION**

The introduction should summarize what the business is, highlight why you are the person than can make it profitable and what you are requesting. Please complete the following (additional information may be provided).

A. DESCRIPTION OF BUSINESS

_____ Retail	_____ Wholesale	_____ Manufacturing
_____ Service	_____ start-up	_____ purchase of existing business
_____ expansion	_____ proprietorship	_____ partnership
_____ corporation	_____ restructuring(debt)	

B. OWNERSHIP

Name	% of Ownership	Annual Compensation
_____	_____	_____
_____	_____	_____

C. SOURCE AND USE OF FUNDS

Purpose	Source	Amount
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

D. Describe the benefits which will result from the loan and the use of funds as indicated above.

E. Proposed Collateral.

Type	Current Value	Amount now outstanding	Pledged to
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Please attach a listing of current debt on form provided by the lender and attach it to your business plan.

**II
BUSINESS ACTIVITIES**

This section describes what the business does and how it will succeed in its location. Give an evaluation of the industry in general (is it growing or in decline), an objective description of the competition and a specific discussion of who, what where, when and how it will be done.

A. Describe products or services you sell.

B. What is the market area and who are your potential customers.

C. List your competition and its strengths and weaknesses.

D. Describe your sales strategy and the method for attracting and holding customers.

E. List all employees.

Name	Title	Full or Part time	Hours Per Week	Duties	Wages
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

F. BUSINESS BACKGROUND

Describe your business. Explain what you do, where you are located and how long you have been in business.

G. Management Background.

Describe your business background. Note your special areas of knowledge and experience. Does anyone help you manage your business? If so, describe the background.

H. Production.

How is your product or service made? Are there any special materials or processes used? How are these obtained?

I. Goals and Objectives.

Discuss your goals for your business over the short run (1-4 years) and the long run (5-10 years). Explain how this loan will help you achieve these objectives.

**III
COMMUNITY BENEFIT**

A. Job creation and/or retention.

Describe the jobs that you are going to create with the assistance of this loan. If this loan is to help retain jobs, describe the facts as to the jobs being retained and how the jobs may not be retained if this loan is not made. Include in you remarks how you will offer employment to low to moderate-income family workers and the number of the same that are targeted.

B. Economic Development significance.

Describe the benefit to the city/town if this loan is made. Include the increase in tax revenue and the indirect benefits associated with this business and employment opportunities.
