

Small Business Financing Checklist

Building and running a business is hard. And it is harder still for businesses to go through the process of getting a loan that their business needs to continue to grow and thrive. We help thousands of such businesses every day and have compiled a simple check-list of things to do to make this process **fast, simple and easy** for all small businesses looking for cash.

✓ 1. Run a quick cash flow analysis



Having at least 3 to 6 months of **positive cash flow** can help you get approved faster and get the best financing terms.



[Click here](#) to learn more about ways to improve company cash flow.

✓ 2. Collect at least 3 months of bank statements



Generally you want to maintain a **positive daily balance** and your positive cash flow should reflect itself on your bank statements.

✓ 3. Identify any unusual large deposits



If your business has **large swings in deposits and credits** in the business account, you can expedite your loan process and get very good loan terms by providing a copy of your account receivables and future contracts.

✓ 4. Get a copy of your free credit report



A strong personal credit goes a long way to assure any lender about the **fiscal responsibility** of the person running the business.



You can get a free copy of your credit report from annualcreditreport.com.

✓ 5. Limit the number of lenders you borrow from



Too many lenders taking money from the business cash flow puts strain on the business. You may want to wait to **finish your current loan obligations** before going back to the market to raise more capital.

✓ 6. Resolve any open tax liens



Try to get a **payment plan** on any open tax lien. A payment plan on a tax lien is far better than an open unresolved tax lien.

✓ 7. Get three business references



Trade references help to establish **authenticity and credibility of your business**. If you rent commercial space for your business, make sure that the landlord is one of the references you would provide.

✓ 8. Research the type of loans available



Businesses have a tremendous variety of financing options which have unique requirements, so make sure you familiarize yourself with the **options and terms** before speaking with a lender.

✓ 9. Choose and limit the lenders that you would contact



Know who you want to work with to help you get financing. Many capital originators, like Kapitus, provide you an option to work with them **directly** ensuring you receive the best option to help your business.



A glossary of financial terms related to small business financing can be found [here](#).

✓ 10. Get a copy of the last year's tax statements



Businesses contemplating **borrowing sums over \$150,000** should get a copy of their last year tax statement and business financial statements.



For more small business resources, visit our Blog kapitus.com/blog

If you have questions about this process or want to speak with an expert as you contemplate financing for your business, contact one of our financing experts for free by either calling 1-800-780-7133 or by emailing us at info@kapitus.com.