

B&B/Inn Financing

Business Plan Overview

A commercial financing involves an analysis of business financials i.e. three years tax returns and Current Year to Date P&L and the borrower/s personal financials i.e. three years tax returns and pay stubs for current year. Commercial lenders in general and if applicable, the SBA, will require a business plan/executive summary to support the loan request. The borrower/ purchaser must articulate he or she understands all aspects of the business they seek to acquire/finance, the industry in general and market conditions that impact the viability of the business.

A well thought out business plan clearly and succinctly articulates the principal's strategies to grow the business to its full potential. Industry professionals may be found are listed in our Affiliates Section of this website, these individuals and organizations offer evaluation and business plan preparation services.

Business Financials provided within the plan should affirm the viability of the business relative to the proposed loan amount and the ongoing needs of the business and principals. In addition to the 3 most recent years business tax returns the Loan Analyst will require:

- 1. The current Year to Date Balance Sheet and P&L covering the first six months of the current year.*
- 2. The prior year Balance Sheet and P&L, covering the first six months of the prior year.*

These reports/proofs will be used to compare the first six months of current year to the business's performance in the prior year. SBA and the lender will require this comparison as part of the loan analysis and submission documents.

Borrowers: "You only have one chance to make a first impression" Processing a commercial loan involves several departments and a review

by number of individuals, of which, virtually none will ever have the opportunity to meet the borrower/s. It is therefore very important to articulate your grasp of the business, competence to manage and commitment/passion to succeed. Resumes are your silent salesman and should contain a photo of the principal/s and must be tailored

to the project as to the borrower's expertise in the industry, or that they possess the transferable skills necessary to achieve the desired business objectives and long-term goals. If one partner will be maintain employment outside the business being acquired, it is important that the managing partner (the partner that will manage the day to day business) possesses the business acumen to successfully take over the business and run it, as well or better that the current owners.



***Richard K. Newman, Managing Member
Commercial Capital Network, LLC***

Direct: 570-213-1903

E-mail: Rick@InnFinancing.com

Website: www.InnFinancing.com