BUSINESS PLAN

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Business Name

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City, State, Zip

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Telephone / Fax / Email

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Owner’s Name

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date

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Rural Enterprise Assistance Project

Center for Rural Affairs

PO Box 136

Lyons, NE 68038

***Notice of Confidentiality***

The information provided by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in this document is unique to its business and confidential. Anyone reading this is requested not to disclose any of the information without their express written permission.

It is also acknowledged by the reader that the information furnished in this business plan, other than information that is in public domain, may cause serious harm or damage to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and/or the proposed new owners and will be kept in strict confidence.

### Introduction and Request for Funds

### Pertinent Business Descriptions

1. **What is the business name?**
2. **When was the business established and by whom?**

1. **Where is the business located?**
2. **Describe the building.**
3. **Describe the ownership of the facilities. (Will they be purchased or leased?)**
4. **What is the layout of the facilities?**
5. **What equipment do you have (Specify if purchased or leased)?**
6. **What is the legal structure of the business (Sole-proprietorship, partnership, corporation)?**
7. **Who is your lawyer?**
8. **Who is your accountant?**
9. **Who is involved in management and what are their qualifications?**
10. **Do family members help you? \_\_\_\_ Yes \_\_\_\_ No**

**How many full-time? \_\_\_\_ How many part-time? \_\_\_\_**

**13. Do you have other employees? \_\_\_\_ Yes \_\_\_\_ No**

**How many full-time? \_\_\_\_ How many part-time? \_\_\_\_**

1. **If you have employees, explain the labor situation in your area (i.e. is it difficult to find**

**employees?)**

**15. What is the purpose of your business and highlights of progress to date?**

# Products or Services Descriptions

1. **Describe your products or services: Is there a need for these services or products?**
2. **What is the view of the current status and prospects for the industry?**
3. How is your business affected by major economic, social, technological or regulatory trends?

19. Are government regulations affecting your product or service (list them)?

1. **How do you distribute your product or service?**
2. **What does it cost to make the product or deliver the service?**
3. **What is your pricing strategy?**

# Competition and Customers

1. **Who are your major competitors and what is your competitive advantage?**
2. **Describe your customers.**
3. **Describe customers you would like to attract in the future.**
4. **How large is the market geographically?**
5. **How large is the market? (number of potential customers)?**
6. **Why will customers choose your product or service? What benefits do you offer?**
7. **How is customer loyalty established in your business?**
8. **What are your service and product warranty policies?**

#### Marketing, Promotion, Advertising and Public Relations Plan

1. **What is you market position?**
2. **What is your promotion plan?**
3. **What is your advertising plan?**
4. **What is your public relations plan?**
5. **Who does your bookkeeping?**

**37. What types of insurance do you carry?**

#### Personal and Business Goals

**38. State your long term and short term business goals.**

**39. State your long term and short term personal goals (Use back of page or extra sheet if**

**necessary)**

**G. Contingency and Exit Plans for Business**

**40. Please state the contingency plan for your business. Your contingency plan should**

**include a description about how loans and other will be paid should the business be slow,**

**etc. Simply put, what is your plan B in case plan A doesn’t work out?**

**41. Please state potential exit plans for your business. This section could include items such**

**as succession planning, etc.**

1. **Financial Statements –**

* **Previous three years Balance Sheets and Profit and Loss Statements.**
* **Current Balance Sheets, Profit and Loss Statements, and Cash Flow.**
* **Projections for the next year (monthly) and the following two years (annual), including assumptions.**
* **Current Personal Balance Sheet.**
* **Break-even Statement.**
* **Startups are pro forma as opposed to historical.**

# Attachments

* Any documents which help the reader understand why this is a good business opportunity.
* Note in the relevant narrative that an attachment is included. Example: (See Building Floor Plan, Attachment 3)
* Personal resume for each owner/manager
* Past 3 years tax returns for business (or owner if a start-up business)
* Floor plan sketch or blueprint
* Copies of leases, loan agreements, legal agreements, incorporation papers, etc.
* Letters of reference from other business owners & professionals
* Letters of intent from suppliers agreeing to sell to you & buyers agreeing to purchase
* Listing of insurance policies by type, company & policy number
* Job descriptions of key personnel
* Copies of policies and warranties
* Marketing pieces—brochures, price lists, menus, business cards, posters, etc.

**Loan Application Information**

Date:

Applicant Name: Business Name: Social Security #:

Business Address: City: State: Zip Code:

Home Address: City: State: Zip Code:

Phone #: Email:

Business Description:

1. **How much money is needed?**
2. **How will the loan be used?**
3. **What will the loan do for the business?**
4. **How much business equity is available?**
5. **List other sources of money available to you.**
6. **Could you obtain this loan from a bank?** \_\_\_\_ Yes \_\_\_\_ No
7. **Which vendors will supply the purchased materials?**
8. **How will the loan be repaid?**
9. **Who will provide collateral and what will the collateral be?**
10. **When is the loan needed?**
11. **When can repayment begin?**
12. **How many loan payments will be made?**

Please complete the following source and use of funds:

Source: Amount: Use:

Senior Lender:

REAP

Owner Equity

Other

Senior Lender Information:

Name: Loan Officer:

Address:

City: State: Zip Code:

Telephone: FAX: E-mail:

Other information you feel is important to this REAP Loan application:

Certification

The Rural Enterprise Assistance Project (REAP) is a program of the Center for Rural Affairs, a non-profit organization located in Lyons, Nebraska. REAP is designed to promote rural small businesses by providing training assistance and small amounts of credit to self-employed individuals. All participants in the REAP program should understand that the decision to accept any REAP provided training or loan assistance is their own.

In submitting this loan application, I understand that I waive all claims against the Center for Rural Affairs and their staff. Everything that I have stated in this application is correct to the best of my knowledge.

I certify that I am authorized to submit this application on behalf of the business named in this application (“Applicant”) and that all information and documents made in connection with application, including federal and state income tax returns (if any) are true, correct, and complete. I acknowledge that (I) this application is subject to final approval of the applicant and its owners, and that (II) additional information may be required in order for REAP to make a final credit decision.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

President/Principal Name of Business

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**FOR OFFICE USE ONLY**

**DO NOT WRITE BELOW THIS LINE**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

DATE: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** NAME OF BORROWER: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

AMOUNT OF LOAN REQUESTED: **\_\_\_\_\_\_\_\_**

LOAN: **\_\_\_\_** Approved **\_\_\_\_** Denied

AMOUNT OF LOAN APPROVED: $ **\_\_\_\_\_\_\_\_\_** INTEREST RATE: **\_\_\_\_\_**%

NUMBER OF PAYMENTS: **\_\_\_\_\_**

PAYMENT SCHEDULE: **\_\_\_\_\_**

LOAN SOURCE (S) USED BY REAP AND AMOUNT (S): **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

COMMENTS: (If loan was denied or approved with conditions, state reasons, conditions and recommendations. Continue on back of page if necessary.)

**LOAN REVIEW COMMITTEE SIGNATURES** **DATE**

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