

## BUSINESS PLAN

### Statement of Purpose And Application and Expected Effect of Loan

To whom are you addressing this plan? What is the purpose of writing this plan?

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1. Name of company applying for funds.

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2. The formation of the business is.

sole proprietorship

partnership

corporation

common

subchapter S

limited liability company

3. Dollar amount of funds requested. \$ \_\_\_\_\_

4. What kind of loan are you applying for?

1 year       Line of credit

3 year       Commercial mortgage

5 year       Term Loan

7 year       Other (describe) \_\_\_\_\_

5. How much of your own assets will be invested in the business:

Cash \$ \_\_\_\_\_ Other Assets \$ \_\_\_\_\_ (Equipment, Etc.)

6. What Collateral/Security do you have to offer?

Certificate of Deposit	Net Value	\$ _____
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Stocks/Bonds	Net Value	\$ _____
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Real Estate	Net Value	\$ _____
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Equipment	Net Value	\$ _____
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Other _____	Net Value	\$ _____
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7. Identify how the loan or investment will be spent:

Purchase Real Estate	\$ _____
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Renovations	\$ _____
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Equipment	\$ _____
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Furniture	\$ _____
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Working Capital	\$ _____
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Other _____	\$ _____
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8. Describe how the requested loan will effect your business.

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9. Describe your personal credit history:

[ ] Excellent [ ] Good [ ] Poor [ ] Bankruptcy

10. Do you have a current copy of your credit report? [ ] Yes [ ] No  
If no, New Jersey residents are entitled to one free copy per year. Please order.
11. Do you have someone, with good credit, income, and assets will to co-sign? [ ] Yes [ ] No

**A. THE BUSINESS**

Describe your business (in 25 words or less).

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**B. PRODUCT/SERVICE**

1. List up to 3 main products and/or services you plan to sell or currently sell:

1> \_\_\_\_\_  
2> \_\_\_\_\_  
3> \_\_\_\_\_

2. List 3 reasons why people would purchase your products/services.

1> \_\_\_\_\_  
2> \_\_\_\_\_  
3> \_\_\_\_\_

**C. THE MARKET**

1. Describe overall market for your products and services including industry trends.

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2. Who is your TARGET customer? (What makes them your TARGET MARKET?)

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3. How will you attract and keep customers like these?

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4. Describe the market's growth potential and industry information researched.

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**D. PRICING**

1. List the prices/price ranges of your top 3 product/services.

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2. Describe how you determined your pricing.

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3. How does your pricing compare to your competition?

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4. Identify three (3) trade suppliers and their credit terms

1> \_\_\_\_\_

2> \_\_\_\_\_

3> \_\_\_\_\_

**E. LOCATION OF BUSINESS**

1. Your business address is?

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2. Your space is: [ ] leased [ ] owned [ ] Square footage required: \_\_\_\_\_

3. What renovations are needed and how much it will cost.

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4. List Zoning, License and Permits required to operate business.

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**F. THE COMPETITION**

List your 5 nearest competitors and why do customers buy from them?

1> \_\_\_\_\_

2> \_\_\_\_\_

3> \_\_\_\_\_

4> \_\_\_\_\_

5> \_\_\_\_\_

**G. MANAGEMENT**

Who will be the owner(s) of this business? \_\_\_\_\_

1. Describe your employment background and/or management and supervisory experience.

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2. Describe education and list certifications, courses and training related to this industry.

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**Duties and Responsibilities of Management**

1. Describe duties and responsibilities of management.

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2. List the salary of each member of management team.

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3. Identify 4 professional resources you will utilize? (Accountant/attorney/insurance broker/banker.)

1> \_\_\_\_\_  
2> \_\_\_\_\_  
3> \_\_\_\_\_  
4> \_\_\_\_\_

**H. PERSONNEL**

1. How many employees do you need? What will you have them do?

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2. Identify the credentials and skills required of employees.

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3. How will you find these skilled employees?

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4. Will employees be salaried or hourly, full-time or part-time?

Salaried                       Hourly  
 Full-Time                         Part-Time

5. In addition to basic benefits (UDI and worker's comp) you will offer any other insurance coverage?

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6. How will you train employees?

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**FINANCIAL PROJECTION ASSUMPTIONS**

In completing your Cash Flow (last page) what resources did you use to determine your income projection?

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**START UP COST WORKSHEET #1:**

**Acquisition costs**

Purchase Price of Business/Real Estate	\$	_____
Loan Fees and Closing Costs		_____

**Pre-payments/Retainers**

Insurance		_____
Legal Services		_____
Accounting Services		_____

**Installation Charges**

Phone		_____
Other		_____

Equipment		_____
_____		_____
_____		_____
_____		_____
_____		_____

**Leasehold Improvements**

Renovations		_____
Electrical		_____
Exterior Sign		_____
Plumbing		_____
Painting		_____
Ceiling		_____
Flooring		_____
Lighting		_____
Other		_____

**Organizational Costs**

Trade Name Registration		_____
Incorporation		_____
Mercantile License (Local)		_____
Permits		_____
Other		_____

**Advertising**

Brochures		_____
Newspaper Ads		_____
Grand Opening		_____

**Supplies**

Sales (bags, boxes, etc.)		_____
Office (pencils, etc.)		_____
Stationery, business cards		_____
Invoices, purchase orders		_____
Other		_____

**Inventory**

Open Stock for Sale		_____
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<b>Other</b>		_____
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**Working Capital**

**Total Estimated Start up Costs**

**\$**

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