



ACCESS TO CAPITAL

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Week Ten Objectives

- Discuss business banking and lending.
- Introduce sources of business capital available for different stages.
- Outline peer-selected loan process

Funding

Funding is an important part of your business plan as well as your pitch. Remember, it fits into:

- The fourth box of your one page business plan.
- The last section of your pitch.



Sources of Funding

- Equity
 - Entrepreneur contributions
 - Privat investors
 - Earnings retained in business
 - Initial Public Offerings (IPOs)
- Debt
 - Loans from entrepreneur
 - Loans from friends/family
 - Bank financing
 - Short Term
 - Long Term
 - Lines of Credit
 - SBA- Backed loans

It's not only about getting the money.

But also knowing the price you have to pay. You have to think about:

- Fees
- Interest Rates
- Terms
- Percentage of Business You Have to Give Up
- Control/ Decision Making Impact
- Consequence

Funding is give and take. You get the \$ and the funder expects something in return.



What Lenders Look For in **Entrepreneurs**

01

Funding is give and take - you get money, investors expect a return.

02

Character - you and your business

03

Capacity (or Cash Flow) - financial resources of the business and owner(s)

04

Conditions- external factors





Week Ten Homework

- Draft and share your business plan with mentors.
- Complete financials.
- Submit two legal questions by Monday.

To access online materials and PowerPoints, use the QR code and password “imallin”.