



Small Business Summit

Small Business Credit Breakout Session

Small Business Credit Discussion

- Financing growth and Managing Risk
 - Banks Risk tolerance – (highest to lowest)
- What options are available and how to use it strategically
 - Capital Stacking
- Build True Banking Relationship with your Banker/Lender
 - Partnership!



Purpose of Discussion

- Identify financing needs
 - Short-term, Long term & Unexpected needs
- Explore credit solutions
- Align funding with goals
- Understanding risk & responsibilities



Business Overview (Banks want to know)

- Ownership structure
- Industry type
- Years in Operation
- Core Products/Services
- Succession Plan (case study)

Lenders start with understanding who you are and how your business operates (Character, Capacity, Capital, Collateral, Conditions).



Financial Snapshot

- Revenue
- Profit Trend(s) Up/Down
- Cash Flow
- Current Debt/Structure
- Manage the bottom line

This gives a quick health check –
banks care about consistence and
cash flow



Why you need Credit

- Cap. Ex. Needs
- Working Capital
- Manage Inventory
- Expansion
- Seasonal Gaps
- Financing Losses isn't suitable long term

Clear purpose strengthens your creditability, not vague borrowing requests



What Banks look for

- Personal Credit/ Business scores
- Cash flow analysis
- Time in Business
- Revenue stability (gross & net)
- Debt levels
- Collateral

Think of this as your approval checklist – weak areas can often improve with a structured plan.



Understanding Terms

- Interest rate (fixed vs variable)
- Loan terms (Structure)
- Fees
- Collateral
 - Real Estate
 - All Business Assets
 - Unsecured

Don't just look at the rate –
Structure & flexibility truly matter.



Borrowing Smart

- Borrow with a purpose
- Avoid overleveraging
- Maintain cash reserves
- Stress-test repayment
- CPA & Banker advise

Just because you “can” borrow doesn’t mean you should



This Photo by Unknown Author is licensed under [CC BY-SA-NC](https://creativecommons.org/licenses/by-sa/4.0/)

Risk/Case Study

- Cash flow pressure
- Interest cost
- Economic changes
- Personal guarantee
- Case Study examples

Understanding risk upfront
prevents surprises later



This Photo by Unknown Author is licensed under [CC BY-SA-NC](#)

Benefits/Takeaways

- Manage/Improve cash flow
- Plan for growth & opportunity
- Be flexible
- Plan/Communicate
- Build/Establish a true banking relationship/partnership
- Calculated Risk is shared

Used correctly, credit is a powerful growth tool – not just a safety net



