

The 8 C's of Lending

- Credit – You and your business must have good credit.
- Collateral – Something of value is necessary to secure a loan.
- Cash Flow – The ability of the business to repay the loan from operations.
- Capacity – Your personal ability to pay the loan in the event that the business is unable to do so.
- Capital – You have necessary cash to act as a down payment for the loan since the lender will not loan 100% of the amount needed.
- Character – Are you a person of good character and one the lender can trust?
- Conditions – Anything that can affect your business such as the economy, government regulations, etc.
- Commitment – Are you 100% committed to this business and do you have the will and passion to be successful?