



WHAT TO CONSIDER BEFORE APPLYING FOR A BUSINESS LOAN

STEP 1 - HOW MUCH DO YOU NEED?

Work out exactly how much is required. It seems obvious but people often apply for too little or too much.



STEP 2 - DO YOU HAVE YOUR INFORMATION READY?

Make sure you can clearly explain your business in one minute, or one paragraph. Avoid too much jargon/technical language. You may also need to have your business plan and finance information ready so make sure this is easily accessible and up to date.



STEP 5 - ARE YOU APPLYING TO THE CORRECT COMPANY?

Different lenders will offer different conditions for repayment. Make sure you choose the one that suits your business before applying.



STEP 4 - DO YOU UNDERSTAND THE TERMS AND CONDITIONS?

Once you decide a business loan is the right path, make sure you understand what type of loan it is and what its terms are, including security and interest rates?



STEP 3 - IS A BUSINESS LOAN THE RIGHT FINANCE FOR YOU?

Make sure you understand the different types of lending, overdraft, loans, asset finance, invoice finance etc to make sure a business loan is right for you.

Click for information on the [different types of business finance](#).



STEP 6 - DO YOU UNDERSTAND HOW THE APPLICATION WILL BE REVIEWED?

If not, ask the lender!



STEP 8 - WHAT IS YOUR CONTINGENCY PLAN IF THE LOAN IS NOT APPROVED?

You've done your research, written the best application you can and provided all the right information. But, success is never guaranteed. Make sure you consider what you'll do if it's a no from the lender. Remember, there are other finance options available.



STEP 7 - WHAT ARE THE TIMESCALES?

Business loan applications tend to take a while to complete so if you need finance quickly it might be worth looking at other options.



FURTHER READING

- [Learn about UMi's Get Funding service for tailored support with finding and applying for finance.](#)
- [Applying for a business loan or grant for the first time](#)

LET'S TALK

Need more support? Get in touch with an UMi Business Adviser on **0330 124 7305**.