

Typical Loan documentation requirements for Banks, SBA and Marketplace Finance

Banks	Marketplace Lenders
<ul style="list-style-type: none"> • Purpose of the loan • History of the business • Financial statements for 3 years (existing business) • Schedule of term debts (existing business) • Aging of accounts receivable and accounts payable (existing business) • Projected opening day balance sheet (new business) • Lease details • Amount of investment in the business by the owner(s) • Projections of income, expenses, and cash flow as well as an explanation of the assumptions used to develop these projections • Personal financial statements on the principal owners • Resume(s) of the principal owners and managers 	<ul style="list-style-type: none"> • Purpose of loan • Last 4 months of bank statements • Last 4 months of credit card statements (if applicable) • Driver's license • Business license • Proof of ownership • Proof of corporation • If request over \$100,000 most recent tax return and current P&L's
What are banks looking for	What are marketplace lenders looking for
<ul style="list-style-type: none"> • Ability to repay the loan on time from the projected operating cash flow • Owners and operators who are of good character • Feasibility of business plan • Management expertise and commitment necessary for success • Sufficient funds, including the loan, to operate the business on a sound financial basis (for new businesses, this includes the resources to meet start-up expenses and the initial operating phase); • Adequate equity invested in the business • Sufficient collateral to secure the loan or all available collateral if the loan cannot be fully secured 	<ul style="list-style-type: none"> • Personal credit score (500 and up) • Annual sales of the business • What type of industry is the business in • Clean bank statements (little to no NSF's, consistent deposits, consistent balances to absorb daily payment) • Bankruptcy's released within the last 6 months

