

Top Ten Tips for Peoria Businesses Applying for Loans

While the processes and requirements for various loans will be constantly changing, here are some things that won't change.

1. Have your financial records in order before you do anything.

At the very least, have your Profit and Loss Statement for 2019, a Balance Sheet dated Dec 31, 2019, recent tax returns, and a clear rundown of all your recurring monthly expenses such as rent and payroll. Expenses that do not fluctuate with revenue (i.e. fixed costs or overhead) are key to deciding how much funding you will receive.

2. Do not attempt to fill in documents online.

Download them first, fill them out, and then upload the entire document at once at on online site. This will eliminate errors caused by timeouts and typos. Some of the sites are now requiring this anyway as a way to control web traffic and allow more users.

3. Do not attempt to use online application sites during regular business hours.

Accessing them late at night or on weekends will likely make the process smoother as user volume is reduced.

4. Keep track of any logins, passwords, or case numbers that are assigned to you.

Not all applications have a method of retrieving lost passwords or account numbers. You do not want to have to start over at any point in the process.

5. Apply for anything and everything that might be in your best interest.

If something better comes along, you are never obligated to accept any loan. You do not need to be concerned that multiple applications will affect one another. This is not the same as applying for consumer lines of credit at the same time.

6. If there is required information you do not have or cannot get, apply with what you have.

As demand increases, at least you have saved your spot in line. Clearly, however, this is not desirable.

7. Do not change or exaggerate any data that may have been reported on a previous tax return.

Doing so might eliminate you from consideration. Most applications will require a Form 4506 that gives the lender the right to pull tax returns that were filed with the IRS in past years.

8. If you have experienced credit issues in the past, do not let that deter you.

While most lenders, including the US government, want to be reasonably assured that you have a history of paying your bills, these are unprecedented times. What may have been a required minimum credit score last month, might not be today.

9. Make sure you use your exact name or the name of your company as you have it on previous tax returns.

For example, if you filed an individual return with business expenses under a Schedule C, you should request funding the same way.... under your personal name.

10. If you are contacted by a caseworker or lender regarding your application, follow their instructions exactly and quickly.

If you do not have what they want, be sure to ask if you can substitute something else or if not fulfilling this request will nullify your chances at funding. As always, do not give out critical information unless you are sure of who is requesting it. Ask them for credentials that prove who they are.



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