

Use the space below to begin developing your financing strategy for any start-up, annual operating, and longer-term capital and real estate needs associated with each major business strategy alternative (for marketing, operations, and human resources). Begin by having each member of your planning team (if appropriate) evaluate the importance of the financing criteria described in Figure 82 (control, cost, risk, liquidity). Next list money that will be needed to finance start-up, operating, and long-term needs as well as one or more financing strategy for each. If any of your strategies include the use of external financing, be sure to research and record interest rates and financing conditions in the space provided. Be sure to talk with your local lender, accountant or Extension educator—they can help you locate and evaluate which finance strategy best fits your personal criteria and business needs.

Strategy Criteria

Rank the importance of each of the following finance strategy criteria:

- Control** _____ Low _____ Medium _____ High
- Cost** _____ Low _____ Medium _____ High
- Risk** _____ Low _____ Medium _____ High
- Liquidity** _____ Low _____ Medium _____ High

Financing Needs

List money needed for each expense category. Then, briefly describe one or more financing strategies for each.

	Value	Strategy One	Strategy Two
One-time start-up needs	\$ _____	_____	_____
Annual operating needs	\$ _____	_____	_____
Intermediate needs (5-7 years)	\$ _____	_____	_____
Long-term needs (7-10 years)	\$ _____	_____	_____
Real estate needs	\$ _____	_____	_____

Finance Options

If you plan to seek outside financing (including government cost-share payments), research interest rates and other financing conditions (such as easement terms) from up to three sources for each financial need.

Need	Source/Institution	Interest Rate	Conditions
Start-up	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
Operating	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
Intermediate	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
Long-term	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
Real estate	_____	_____	_____
	_____	_____	_____
	_____	_____	_____