

# BUSINESS PLAN

PRESENTATIONS 1

DR/ BOUROUROU DJAZIA



# I/ EXECUTIVE SUMMARY

The Executive Summary (your Cover Letter) briefly explains the contents of your business plan in about one or two pages.

**Page two is the Table of Contents.**

It shows the lender on which page each section can be found.

The Executive Summary should include:

- the owners' names and their credentials
  - your products or services
- your market(s) and the competition
  - the amount of money needed
  - how the loan will be repaid
- how long you want the loan to last

## YOUR COVER LETTER SHOULD READ SOMETHING LIKE THIS ONE:

Leave off your return address if the letter is on your company's stationery.

List the purpose of the loan (starting, buying, or expanding a business).

Include owners' names and experience. Mention your products and services.

Briefly mention your markets and customers.

Include key facts about your competition.

Tell the lender who should be contacted and provide a phone number and email address.

Include all signature(s) and typed name(s).

The Green Rose  
456 Oak Street  
This Town, USA 67890

Mr. John Nelson  
ABC Bank  
123 Main Street  
Anytown, USA 12345

Re: Loan Request for \$300,000

Dear Mr. Nelson,

With 20 years of management experience in the residential landscaping business, we are requesting a loan to start our own landscaping business, called The Green Rose.

The climate for a successful landscaping business is perfect. Last year, the number of new homes built in Pembroke Pines increased by 15%. Just this quarter, new building permits are up 10% over last year. Of the 45,000 homes in the area, 3,000 were built last year.

Our target market is owners of new and older homes. We plan to reach them with focused marketing, which you will read about in our plan. In addition, we have good working relationships with many building contractors, who have indicated they will refer us to their clients.

Two of our six local competitors have filed Chapter 11. Two are family-owned businesses who concentrate on commercial contracts. The last two are healthy competition, though they lack our marketing and management expertise.

We are investing \$75K from our savings, and are requesting a \$300K loan from your bank. We would like five years to repay the loan, using the cash flow of the business. Our secondary source of repayment will be from collateralized equipment. Our homes and business assets, valued at \$300K, are offered as collateral for the loan.

Our business plan is attached. In it you will find the information you need. If you have any questions or need more information, please contact Mr. Green at (321) 234-5678.

Respectfully submitted,

*Ed Rose*  
Ed Rose

*Tim Green*  
Tim Green

To build the lender's enthusiasm, make references to what's included in your business plan

Mention how much money you would like to finance and the terms (how many years). List the source of re-payment (loans should be repaid by the business' cash flow). Also include how much you are investing and where your money will come from.

List the secondary source of repayment. This is usually collateral which includes business and personal assets (see page 18). Also, fill in the equity value of these assets.

## EXECUTIVE SUMMARY (YOUR COVER LETTER)

Date \_\_\_\_\_  
Your address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Lender's name, bank name, and address  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Re: Loan Request for \$ \_\_\_\_\_ (fill in amount)

Dear (fill in lender's name) \_\_\_\_\_:

I (or we) am requesting a loan of \_\_\_\_\_. The owner(s)  
(fill in names) \_\_\_\_\_ have experience in this industry including... (mention  
experience in industry or training that would qualify you to run this business).

The industry we are entering... (include one brief paragraph about the industry and its growth)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Our target market is... (include one brief paragraph about your target market/customers)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The competition includes.... (include one brief paragraph about your competition and how  
your business will attract their customers)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

We are investing \$ \_\_\_\_\_ of our own money. Our collateral consists of business assets  
having a fair market value of \$ \_\_\_\_\_ and personal assets (if applicable)  
with a value of \$ \_\_\_\_\_

Attached is our business plan which backs up our request. If you have any questions, please contact  
(name) \_\_\_\_\_ at \_\_\_\_\_ (include phone number and email address).

Sincerely,

\_\_\_\_\_  
Your signature(s) and printed name(s) here