

Best Borrowing Practices for Businesses

Navigating Business Loans, Risks, and Rewards



PowerUp
LENDING GROUP, LTD.

Table of Contents

The Current Business Lending Climate	2
Introducing PowerUp Lending	3
What Makes PowerUp Different	3
How Does it Work	3
5 Best Business Borrowing Practices	4
Top 5 Business Lending Myths	5
Why PowerUp Loans Work	6
Wrap Up – Key Insights	6
Check List – What You Need To Apply	6

The Current Business-Lending Climate

The 2008 implosion of the mortgage lending market has unwittingly created new avenues for businesses to navigate in the lending space.

After the economy was thrown into a recession, lenders have become gun-shy in lending practices, with the Dodd-Frank legislation making lenders far more restrictive than they'd ever been before. This seismic shift has led the way for a more substantial role for non-traditional business lenders.

With small business-owner optimism at a five-year high, the business-lending climate is hopeful. Yet, lenders are more cautious than they have been traditionally; the mortgage meltdown haunts almost every transaction. Because there has been little fluctuation in mortgage rates in recent years, with Janet Yellen and the Fed keeping marginal rates near zero, financial lending institutions have begun to pursue new

commercial and small business relationships.

Far more detailed and varied documentation is now required to secure business loans from the big, well-established banks: Chase, Bank Of America, Well Fargo, etc. Good credit and a well-documented ability to repay loans are strict requirements, making it sometimes difficult for businesses to secure the financial assistance they need for optimal growth.

Most large corporations with existing bank relationships have access to capital through shareholders or lines of credit through financial institutions. Small businesses aren't afforded the same access as big companies even though they are the backbone of the economy. Often times business owners put their own capital at risk and their credit is negatively affected as a result. Small business lenders such as PowerUp understand that there is more to a business than the owner's credit score. Years in business, management expertise, business cash flow—these are just some of the factors that paint the larger picture of a business; something that can't be captured in a simple credit report. As a nation, if our economy is to make a full recovery, small business owners need access to capital for a multitude of reasons. Seasonality affects many businesses in the United States. External influences such as gas prices or the





What is PowerUp Lending Group?

The management team behind PowerUp Lending Group has been providing funds to public and private companies from Wall Street to Main Street for nearly 10 years. With nearly \$600 million of capital deployed across the USA, we are committed to helping companies not only grow, but thrive. We are not a fund. We have no outside investors. All of our loans are funded with assets of the company without any participations or third-party involvement.

This is why PowerUp is the fastest loan provider in the industry.

The PowerUp Difference

PowerUp Lending Group specializes in helping companies quickly gain the financial assistance they need and seeks to provide you with such funds as you may require for your business purposes. Our loan will be repaid from daily receipts at a fixed, daily amount, dependent upon the term and size of the loan.

Our loans are custom designed to each client in order for us to help you successfully manage your business and to fulfill your financial needs while offering you comfortable daily payments.

If you are looking for a fast, flexible alternative to traditional business loans, a merchant cash advance could be right for you. Our advances are made against future credit card receipts and are repaid according to a fixed sum on a daily basis.

How Does It Work?

We are not a fund. We have no outside investors. All of our loans are funded with assets of the company without any participations or third-party involvement. This is why PowerUp Lending Group is the fastest loan provider in the industry.

cost of healthcare can play an oversized role in a small business environment. Despite the tenuous economic recovery, business owners and entrepreneurs still find themselves making decisions on an almost daily basis just to survive, rather than having the financial comfort to plan for the future.

For lenders, growing healthy commercial loan portfolios has become more difficult over the last decade. Increasing regulations and fewer loan applications have made for a competitive lending atmosphere, opening the door for nontraditional lenders to maintain a stronghold in the small business loan space.

Therefore, a business lender's strategy needs to address each factor that may influence a businessperson's decision in choosing a lender, such as: the speed of approval, financial stability, and demonstration of commercial and small business lending expertise. Moreover, business owners are increasingly demanding ease of application by constructing their business loan practice online and they generally expect an accelerated closing time.

In short, it's a loan applicant's market. The terms are favorable and competition for business owners' business is fierce. The banks who have traditionally ruled the business lending space are being edged out by non-traditional lenders who have the ability to turn around loans quicker with less time-consuming and restrictive regulations.

5 Best Business Borrowing Practices

Successful businesses need financial investment to grow and to thrive. These investments often come in the form of smart business loans. Follow these best practices to ensure that they truly benefit your company's bottom line.

1. Borrow what you need, not what you want. This sounds like a simple concept, but it's more difficult than you might think. Why? Because it's difficult to separate the true necessities from the extras in a business context—especially when you are focused more on the getting of the loan and not so much on the repayment. Get a clear-eyed, practical view of the uses for your loan, including a realistic method and timeline for paying it back. This will bring your needs into focus, divorced from those attractive wants.

2. Be Realistic. Building a rooftop deck for your restaurant? Expanding your pharmacy into an adjacent space? Buying more inventory for the upcoming season? Make sure you get several quotes for the work on whatever it is you're preparing to do and then build an additional 10% to 15% on top to get a truly realistic number. Delays happen. People sometimes don't come through. Cost overruns are part of almost every project, so be realistic about the scope and expense of whatever your growth plan entails. Allowing for unintended or unforeseen expenses is smart business.

3. ROI. Your lender knows what his/her ROI is. Do you? Every investment you put into your business needs a higher return. Make sure you have a clear

and objective understanding of how your borrowed capital will not only be returned with interest but realistically how it will positively impact your business in both the short- and long-term.

4. Borrowed money is for investing, not operating. This is a pretty big rule of thumb. Some circumstances such as seasonality or unexpected, unique disruptions to an otherwise profitable company are understandable. Borrowing money to plug operating deficits that you don't know how you will otherwise fill is a dangerous practice and a terrible habit to form. It's important to be honest with yourself and your trusted advisors as to what these borrowed funds are for and whether or not you truly have the ability to repay them.

5. Form an advisory board. Most small companies don't have the benefit of an experienced board of directors. That doesn't mean you can't put together a group of engaged but disinterested parties (meaning they have no claim in your business for better or worse) to advise you on your ideas and path. Family members are sometimes too close to you and your situation. But other non-competitive business leaders in your community would likely be flattered to be asked and can make great counsel on questions of building, borrowing and strategic planning. Keep it simple and advisory only and remember that informal relationships like these have no fiduciary qualities. However, the value of the counsel of trusted advisors can be an incomparable asset for your business—and could lead to valuable networking opportunities that may bear fruit later on.

5 Business Lending Myths

Most business people come to the loan application or inquiry process with some preconceived ideas of what to expect. Usually, they center around two prevailing thoughts: A big bank loan is my only option. I need to borrow an enormous amount of money.

And they simply just aren't true.

The Internet is full of information. Unfortunately, it's also full of plenty of misinformation. Your parents or grandparents might dispel sound business advice, but it might not represent the new developments in business borrowing.

We've taken the initiative to discuss and dispel the most commonly heard myths to give you accurate information.

Myth #1: If a traditional bank won't approve my loan, no one will. Not true. Not even close.

The landscape of business lending has undergone some dramatic changes in recent years. While traditional banks were once the only game in town, they've been largely replaced by online alternative lenders. And these new lending sources have vastly different processes and standards for servicing loans to small businesses.

Myth #2: If I don't have perfect credit, I'm out of luck. While it's true that lenders have become stricter due to increased guidelines and regulation, the truth is that even if you have bad credit, you still have options.

Alternative lenders understand that your credit score isn't the only indicator of your ability to repay a business loan. You can overcome a bad credit score with a host of other options. In fact, taking a non-traditional route toward securing business financing, such as PowerUp's merchant

cash advance, will give you the tools to help rebuild a poor credit rating.

Myth #3: Lenders won't consider my loan amount because it's too small. This one isn't true, either.

Whether you are looking to secure a loan as small as \$5,000, or a large as \$1 million, PowerUp's team of lending professionals will take your business as seriously as you do and will help to finance your company with as much—or as little, as you need.

Myth #4: Small business lenders require that I repay the loan in big chunks, every month. Even if business is slow. While this might be true of traditional lenders, alternative lenders have created new options for businesses with different needs and capabilities, such as seasonal businesses that experience booms during certain parts of the year, while business drops off when the season is over.

Consider PowerUp's merchant cash advance, where the loan principal is repaid through a fixed percentage of daily sales, accommodating a business by allowing them to pay more when their sales volume is high, while giving them much needed room during the off-season.

Myth #5: Business loans take a year and a day to get approved. Um. Nope. Not at all.

Not only does it not take weeks or even months to get approved, if you fill out an online application with an alternative lender like PowerUp, they can complete an online loan application in less than an hour, and you can have the cash in hand to grow your business by the very next business day.

The Bottom Line

The lending climate is changing—and quickly. The old business lending rules often no longer apply. With the proliferation of alternative lenders, business owners have more options than ever before. Don't be misinformed or stuck. Consult with a trusted financial advisor to find out if your company qualifies for a small business loan.

Why PowerUp Works

In a competitive, heavily regulated industry like business lending, big banks are often punishingly conservative. With mounting guidelines and restrictive policies, small businesses don't have the financial oxygen to thrive in the current economic climate.

These cumbersome restrictions have made a pathway for alternative lenders, who are free to make sensible lending decisions to help fund small businesses.

This is where PowerUp steps in. Because PowerUp is not a fund and is not beholden to outside investors, it is free to deploy its vast experience and capital to help small companies grow. With easy and fast options, PowerUp's application process works the way all businesses should: without getting bogged down in endless paperwork.

Our business is helping your business.

Wrap Up – Key Insights

If you're a business looking to expand, you have more options than you think. Even if your credit is less-than-stellar. Even if you don't have a substantial amount of collateral. PowerUp will act as your financial partner to help you reach the next pinnacle of success. It's an entrepreneur's market.

It's your game.
You need the cash to play.

PowerUp Lending Group is the fastest loan provider in the industry. Our application process is obligation-free. See how much you qualify for. Consider what that capital might do for your business.

The possibilities are endless. PowerUp provides the power behind those possibilities to help make them your new reality.

What You Need to Apply

PowerUp makes it easy for businesses to get the funding they need to keep doing business. Here is what you will need when applying at www.empoweringloans.com/get-started

Step 1: Basic information including name, email, phone number and loan amount.

Step 2: Business information including tax ID number, monthly revenue and start date.

Step 3: Personal Private Information. Social Security Number, Birthdate and 3 months bank statements. If you do not have this information or prefer to communicate with a loan representative directly, step 3 is not required.

For More Information Call Us Toll Free: 1-888-705-3004

Customer Service & General Inquiries

Email: info@empoweringloans.com

Partnership Inquiries

Email: partnerships@empoweringloans.com

Headquarters

111 Great Neck Road, Suite 216,
Great Neck, NY 11021

www.empoweringloans.com