

Project #3 – Financing Your Business**Description:**

You will complete research on getting financing for your individualized business. Small business loans, conventional business loans, and business lines of credit are all viable ways to get a loan to finance your start-up costs.

Fundingcircle.com is one website you can research to learn about loan interest rates.

Things you will need to do:

1. **Research** types of business loans and credit from lenders and their interest rates
 - Describe 3 business loans that your business could explore and their current interest rates (cite your sources!)
2. Create a **loan amortization schedule** for each of 3 loans (all 3 cannot come from the same lender) using the Excel template that we created in class
3. **Research paper**
 - 1-2 pages, 12 Font, double-spaced
 - Reference your business loan schedules when writing your proposal
 - Here are at least some questions you should be addressing:
 - How much money was repaid in total to the lender? How do you find this?
 - Which of the 3 loans researched should you pick, and why?
 - How does a change in interest rate affect your loan payments? Give examples.
 - If you were allowed to make extra loan payments, when is the best time to make these extra payments? Why?
 - How does your monthly loan payment affect your overall monthly profit that you looked at in the last project? Is your business still profitable? Explain.
4. **Prepare a PowerPoint presentation and present your findings to the class.**
 - Minimum of 5 slides
 - Oral presentation = 2-3 minutes
 - Things you should be addressing from your research paper:
 - Describe the 3 business loans you researched in Part 1
 - Total money repaid to the lender
 - Which of the 3 loans did you pick, and why?
 - How does your loan payment affect your monthly profit?

Each portion of the project will need to be submitted electronically (via the dropbox or e-mail) by certain dates. Your ability to complete tasks by certain deadlines will also be graded. If you have any questions along the way, you need to ask for help!