

BUSINESS FUNDING READINESS CHECKLIST

A practical prep guide for business owners before applying for financing

Use this checklist to organize your numbers, documents, loan purpose, and funding timeline before speaking with a lender or funding advisor.

What this guide helps you do

Clarify why you need capital, estimate how much to request, prepare common documents, understand what lenders may review, and avoid delays that can slow down a funding decision.

Best for

Business owners seeking working capital, equipment financing, a line of credit, SBA options, receivables financing, or commercial real estate financing.

Before you apply

Know your use of funds, monthly revenue, time in business, current debt, and repayment comfort level.

Prepared for business owners by **WGM Financial**

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How to Use This Checklist

A business loan application becomes easier when the business owner can clearly explain the need, support the numbers, and provide the right documents. This checklist is designed to help you prepare before you apply.

Use it as a working document. Check off each item that applies to your business, make notes where needed, and gather the documents that match the loan type you are considering.

Professional reminder

A lender usually wants to answer three basic questions: Can the business repay? What will the money be used for? Does the loan structure fit the business need?

Step 1: Clarify Your Funding Purpose

Before reviewing loan options, define the business problem the funding should solve. A clear funding purpose helps match your business with the right type of financing.

- Working capital for payroll, rent, supplies, utilities, or vendor payments
- Equipment purchase, lease, replacement, or upgrade
- Business line of credit for flexible access to funds
- Accounts receivable financing for unpaid invoices or delayed payments
- Inventory, materials, or purchase order support
- Commercial real estate purchase, refinance, renovation, or expansion
- SBA loan for longer-term business investment
- Debt consolidation or refinancing of eligible business debt
- Expansion, second location, hiring, marketing, or acquisition

Step 2: Estimate the Right Funding Amount

Avoid guessing. Requesting too little may leave the business short. Requesting too much may create unnecessary repayment pressure.

Funding Need	Estimated Amount
Immediate cash flow gap	\$
Equipment or project cost	\$
Vendor, inventory, or material cost	\$
Renovation, buildout, or property cost	\$
Debt to refinance or consolidate	\$
Working capital cushion	\$
Total estimated funding need	\$

Use the total as a starting point

The final approved amount may differ based on the loan type, revenue, credit profile, documentation, collateral, and lender review.

Step 3: Gather Core Business Documents

Document requirements vary by loan type and lender, but most funding reviews begin with basic business, revenue, and ownership information.

Core Application Items

- Completed business funding application
- Legal business name and DBA, if applicable
- Business address and contact information
- Business tax ID/EIN
- Ownership details for all major owners
- Valid government-issued ID for owner or authorized signer
- Business formation documents, articles of organization, or articles of incorporation
- Operating agreement, bylaws, or ownership agreement, if applicable

Financial Documents

- Most recent 3 to 6 months of business bank statements
- Year-to-date profit and loss statement
- Most recent balance sheet
- Business tax returns, if requested
- Personal tax returns, if requested for larger or SBA-style financing
- Debt schedule showing current business loans, balances, and payments
- Accounts receivable aging report, if applying for receivables financing
- Accounts payable aging report, if requested
- Merchant processing statements, if card sales are part of the review

Use-of-Funds Documents

- Equipment quote, invoice, or purchase agreement
- Commercial real estate purchase agreement, refinance statement, or lease details
- Renovation or buildout estimate
- Inventory or supplier quote
- Practice, business, or asset acquisition documents
- Written summary of how the funds will be used

Step 4: Understand What Lenders May Review

Lenders and funding partners usually review the full business picture. Strong preparation helps reduce back-and-forth and may help match the business to a better-fitting option.

Review Area	What It Helps Show
Monthly revenue	Whether the business has enough sales activity to support repayment.
Time in business	How long the company has operated and whether revenue history is established.
Bank activity	Cash deposits, average balances, overdrafts, expenses, and operating patterns.
Credit profile	Personal and business credit history, depending on the loan type.
Existing debt	Current repayment obligations and overall debt load.
Industry and use of funds	Whether the financing request matches the business purpose.
Collateral	Assets that may support equipment, real estate, SBA, or secured financing.

Step 5: Match the Loan Type to the Business Need

Business Need	Possible Financing Option
Short-term operating cash	Working capital loan
Flexible backup capital	Business line of credit
Unpaid invoices or delayed payments	Accounts receivable financing
Equipment purchase or replacement	Equipment financing
Longer-term expansion or acquisition	SBA loan or term loan
Property purchase, refinance, or renovation	Commercial real estate financing

Step 6: Prepare Your Business Story

Numbers matter, but your business story matters too. Be ready to explain what your business does, why you need funding, how the money will be used, and how the financing supports revenue, efficiency, stability, or growth.

Answer These Questions Before You Apply

Question	Your Notes
What does your business do?	
How much funding are you seeking?	
What will the funds be used for?	
How soon do you need funding?	
How will the funding help the business?	
What monthly payment range feels comfortable?	
Do you prefer speed, longer terms, flexibility, or lower total cost?	

Step 7: Avoid Common Funding Delays

- Bank statements are missing pages or do not show the full month
- Business name does not match across documents
- Funding amount is not tied to a clear business purpose
- Existing debt payments are not disclosed
- Tax returns or financial statements are outdated or incomplete
- Owner information is inconsistent across application materials
- The business waits until cash flow is already under severe pressure before applying

Final Readiness Checklist

Before requesting funding, review this final checklist. You do not need every item for every loan type, but the more prepared you are, the smoother the review process can be.

- I know the specific reason my business needs funding.
- I have estimated the funding amount using real costs, not a rough guess.
- I understand whether I need short-term capital, flexible credit, equipment financing, receivables support, SBA financing, or real estate financing.
- I have my recent business bank statements ready.
- I can explain my monthly revenue, current debt, and use of funds.
- I have quotes, invoices, receivables reports, or purchase documents if they apply to my loan request.
- I have considered how repayment may affect monthly cash flow.
- I am ready to compare financing options based on need, timeline, and repayment structure.

Next step

When your documents and funding purpose are organized, you are in a better position to compare options and have a productive funding conversation.

Ready to Review Business Funding Options?

Visit [wgmfinancial.com](https://www.wgmfinancial.com) to learn more about working capital, lines of credit, equipment financing, receivables financing, SBA options, and commercial real estate financing.

Disclaimer: This guide is for general informational purposes only and is not a loan approval, commitment to lend, credit decision, financial advice, tax advice, or legal advice. Loan availability, terms, rates, documentation requirements, and funding timelines vary by lender, loan product, and borrower qualifications.