



THE CAREER MOMPREENEUR

TCM

The Secret Checklist for Access to \$100K in Capital



The **Secret Checklist** That Banks Don't Want You to Know to Get **Access to Capital**

Raising capital is a huge deal for businesses since it plays a vital role in helping expand your operations. Most businesses rely on getting a loan from banks to finance their ventures. When it comes to getting a loan from a bank, there are **certain processes and criteria that you have to fit into to be eligible for a loan.**

However, **there are a few things that banks don't tell you** when you are applying for a business loan.

Understanding them will help you close a better deal with your banks for personal finance.

Let's discuss the secret checklist banks don't want you to know when asking for capital.



Secrets You Need to Know About When **Dealing** with a Bank

As a business owner, you would want the best deal for yourself. Knowing the following secrets will assist you in accomplishing your objective.

1 **Switching Banks isn't Difficult**

Your current bank will tell you that it is not an easy process to switch banks. They will show how moving your relationship from one bank to another is a lengthy process.

The reality is that the banking industry is **hyper-competitive** with various players in the market. Therefore, banks won't mind taking you as a client by giving you a smooth, seamless, transparent transition process.





Deposits Can Make a Significant Impact

The deposit amount plays a significant role in your power as a borrower. Most banks wouldn't want you to know how they weigh their bank deposits. You can ask them about the following equations to surprise them.

Capital Ratio: This refers to the bank's equity to risk and is the weighted sum of bank assets. It needs to be at around 8%.

Leverage Ratio: It is the bank's capital to the unweighted figure of assets and needs to be around 3%.

Reserve Ratio: Reserve ratio equals demand deposits to the bank's reserves. For a large commercial bank, it should be around 10% at least. Banks with deposits of \$45.4 million should have a reserve ratio of 3%.





Consulting With Other Professionals

When applying for a loan, you might want to know what option would be the best for your business.

However, that is not the case since you can **take opinions from a CPA (Certified Public Accountant), tax advisor, financial coach, or attorney at law** before signing up for the loan.

Therefore, **bankers shouldn't be the only option** when taking advice for your business financing options.

You can **take assistance from different professionals** to understand which option will be more suitable.



4 Competitive Pressure Is Still There

While many banks have gone down and under, many options are still available. These banks will give you a favorable interest rate on your bank loans or offer other benefits.

So, **research all the available options** if a bank tells you they have the best deal for you.

This way, you can **leverage another option available to get a good deal from a bank**. Even big banks with rigid policies are willing to make some concessions to close a new customer.



5 Takeaway

Small to mid size businesses often find themselves in **need of capital to grow and expand** their business.

They mostly turn to banks to fulfill their financing needs. Therefore, **knowing these secrets will allow you to bargain for a better deal.**

And if you want to know other ways to raise capital, you can Enroll in our

Platinum business financial coaching program 

Access to capital readiness program

that will allow you get access to over \$250K within 30 days.

