

## Five Biggest Problems Businesses Face while trying to get loans III

### 5 Biggest Problems Businesses Face When Trying to Get Business Loans/W. Capital from \$3 Million to \$25M (or up to \$250M):

Finding the capital you need to finance your small/medium business can be a confusing and complicated process. Many great ideas stumble at this stage of business building. Yet moving through this stage is critical for success of a business/project. Finding money is a matter of being informed on how financial markets operate, choosing the right path to business capital to start, expand or even exit the business. There are several options available when searching for financing. Some methods of raising funds are less difficult than others, but all require some planning, professional expertise and relevant experience in today's markets.

**1. Lack of Planning:** Sixty to eighty percent of all new businesses fail during their first five years. A key reason for this failure is due to lack of good planning. Only 10% - 20% of all business equity or loan proposals are accepted and funded. A good investment grade business plan has proven to be critical to the success of a new or existing business. The better you plan, the better your chances of communicating to stakeholders and succeed in getting the required funds and achieve performance in time. **Is your business model right?**

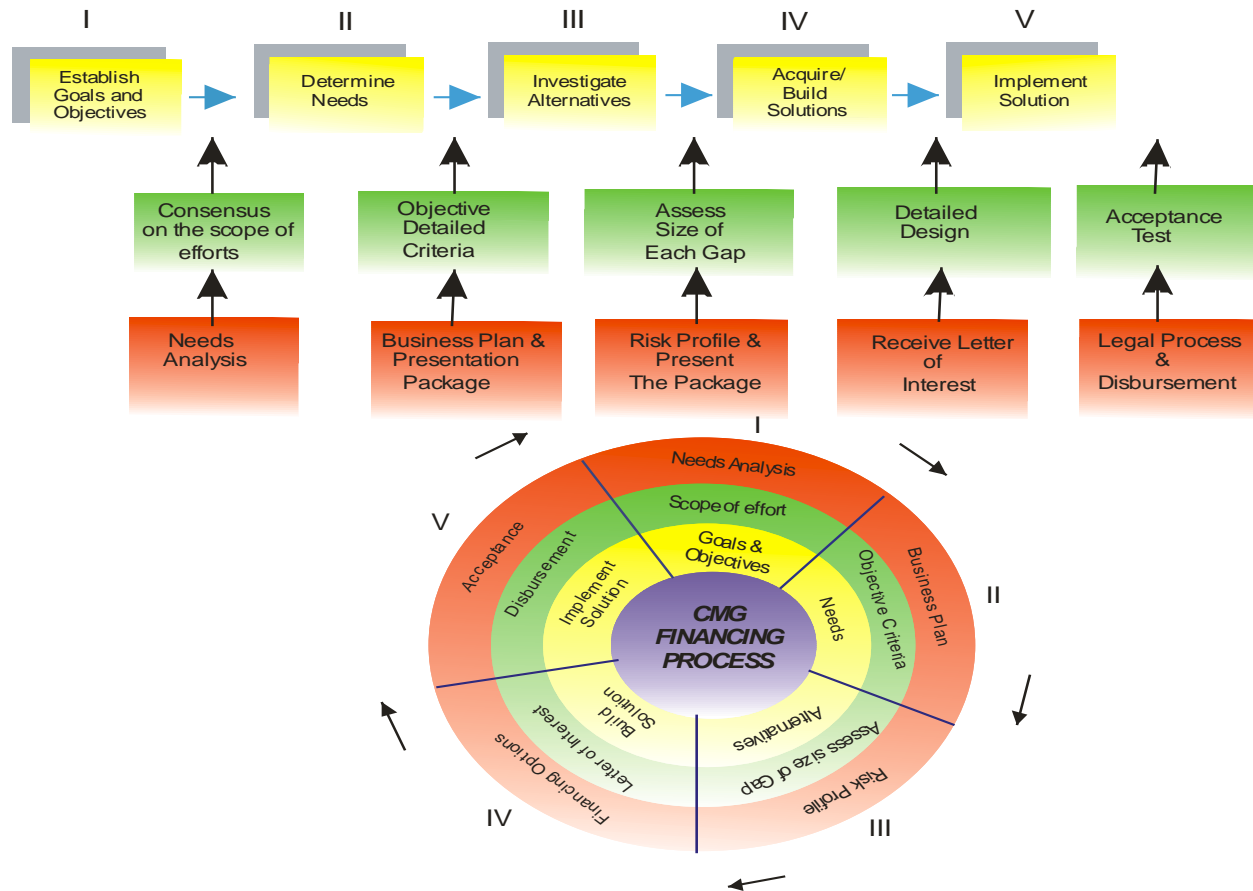
**2. Too Many Hassles and Turn Around Time Too Long:** Usually you'll spend countless hours running around trying to obtain financing for your project and worry about time consuming packaging requirements, dealing with new lenders, investors and investor meetings. Often you will discover the banks or investors have different or unreasonable requirements from your point of view. **How to do it right the first time?**

**3. Lack of Administrative Assistance:** Many small companies lack the administrative infrastructure that can impart regular efforts, with the necessary expertise, and organize finance in time for setting up the project and working capital. In most cases, one is stuck and trying to gather information through own efforts, as well as trying to run the business or current activities and maintain an excellent reputation. **Do you need to outsource and determine who can finance your project?**

**4. Hidden Costs:** In a typical loan situation, there are always hidden costs involved. And if you're like most people, just not aware about certain upfront costs, it is even harder to swallow than actually paying the amount. These fees along with basic administrative expenses are necessary, as the financing process often takes 8 to 16 weeks and involves collecting and presenting the relevant information by a team of high level professionals. **How to present the right information the first time?**

**5. Confusing Options:** The traditional lending process, with most business banks and lenders focus on one thing. Get the application, send it for approval and give the answer: yes or no. It's a numbers game for them. There is no one there who will look at other options available and assist you in the process. There are a lot of confusing options in an environment of information over-load. **Which one is right for you?**

CMG FINANCING PROCESS



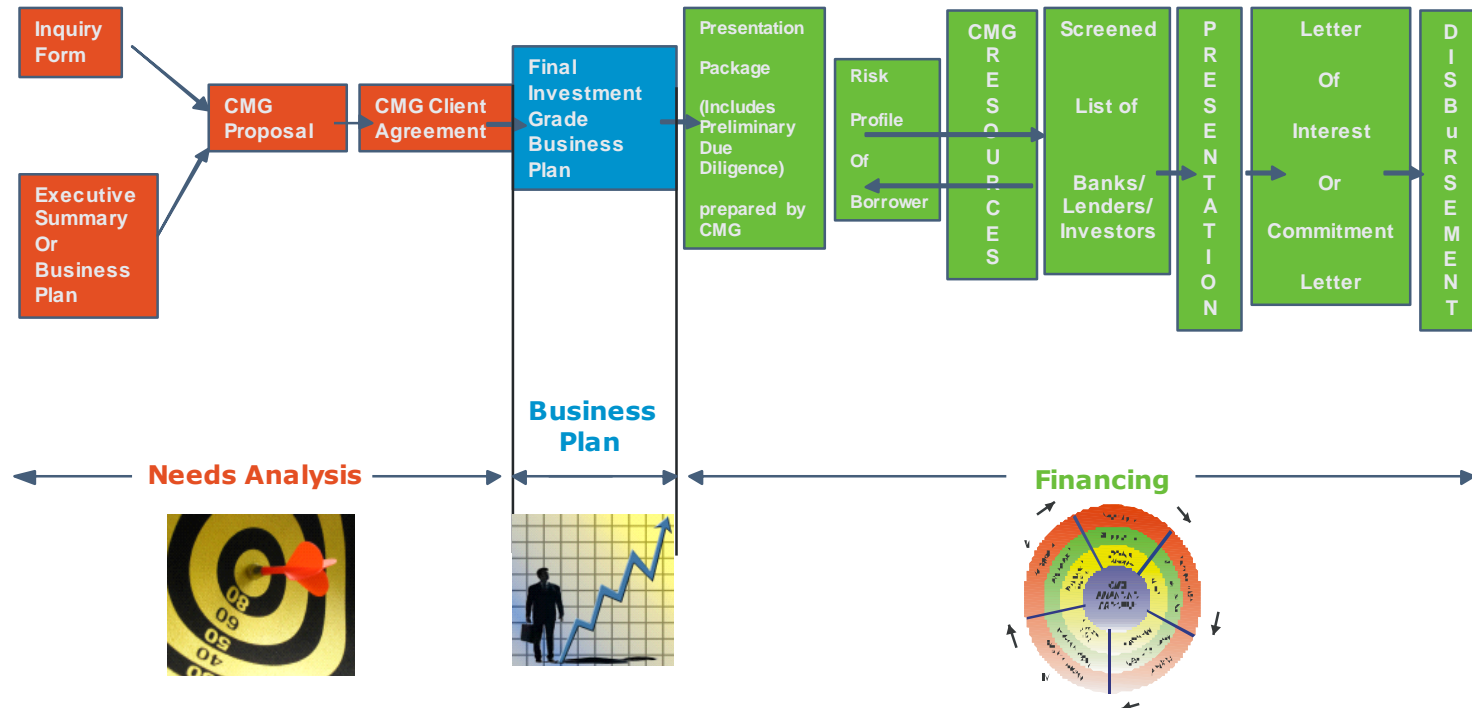
**Find the Financing Solution to fit your business needs. It's the process or what happens between the steps that matters!**

Want to avoid prior experiences of poorly executed financing process? When the business wants a financing solution that precisely fits their business needs, a 5 stage process to document requirements, and assess alternatives is required. We have experienced that successful financing project focus more on quality effort on excellent execution 'between' the stages. For CMG clients, this clear and logical flow helps achieve the results more efficiently. CMG will assist clients ensure that output from one part of the process is sufficiently detailed and clearly structured to be used as a guide for future steps and create good impression with the banks/investors.



## Capital Management Group

Your CMG experience from Inquiry to Disbursement of Funds



CMG works with US & international CEO/management of companies and assist them to define their business model, improve the same, if necessary, and then prepare investment grade business plan and presentation package that raise up to \$25 million (or more up to \$250 million) of business loans for start-up and expansion projects. CMG packages, we believe, are amongst the best 10% packages received by banks, institutions and investors. CMG matches risk profile of borrower with lender/investor and organize necessary business capital. From our experience, the projects that have a good business model, and have 30%+ equity (This can be relaxed for existing profitable businesses or if bank guarantee or other guarantee/collateral acceptable to lender is given) & adequate collateral are able to get approval with lenders/investors. During the process, we may utilize a third party guarantee or other instruments that facilitate approval. We primarily focus on manufacturing companies, Real estate based projects, distribution companies and Government Infrastructure Projects.

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