



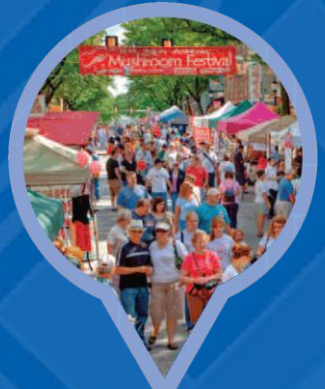
Chester County  
**Economic  
Development  
Council**

*Growing Business, Growing Smart*

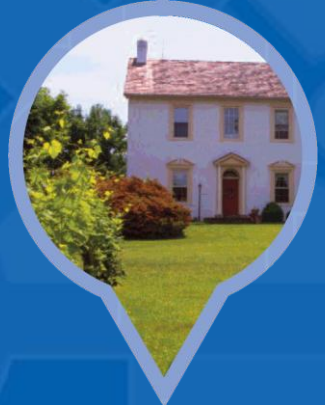
# What Lenders Want You To Know About a Business Plan

Jodi Gauker, Agriculture Project Manager  
PA WAg-N Conference 2014

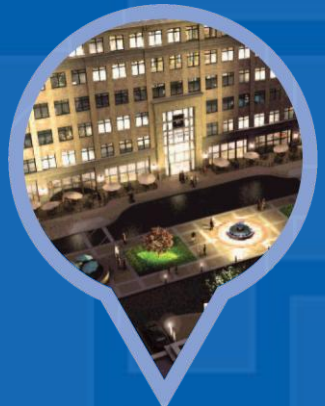
Investing in the *Economic Health* of Chester County



**Its People**



**Places**



**& Prosperity**



## Mission Statement

**AgConnect is a vibrant network of farmers, business owners, and service providers connecting farmers to the business resources, training, and financing to grow business and promote smart agricultural economic development.**



# Who is Jodi?



- *Agriculture Project Manager at CCEDC*
- *Marketing and Communications for Gauker Farms*
  - *8<sup>th</sup>, 9<sup>th</sup>, and 10<sup>th</sup> generation family farm*
  - *Direct market beef through farmers' markets and distribution network*
- *Farm wife and mom*



# Business Planning

- Many formats – pick one
- Be thorough – more than you think you need
- Do your research
- Include projected cash flow for EACH month
- Be realistic
- Include: experience, research, trends, sales, expenses, marketing



# The Down Payment



- Typically 20% down
- Not always able to finance
- Fees – application, settlement, and servicing
- *“I don’t have money for a down payment – that’s why I’m requesting a loan!”*



# Investors



## *Benefits*

- Can now make that 20% down payment and fees

## *Challenges*

- You have taken collateral away from your lender
- Tax consequences either to you or your investor



# Gifts



## *Benefits*

- Can now make that 20% down payment and fees

## *Challenges*

- Tax consequences either to you or your gifter





# Crowd Funding

- Crowd funding requires a crowd
- Requires own budget and video
- Should include incentives
- “Full time job” to manage a successful campaign
- Legal requirements to follow through on incentives
- Tax consequences – Talk with your accountant





# Budgeting for Rewards



- Budget should go beyond your funding goal
- Incentives should be part of the budget
- Total fundraising goal should include cost of incentives – or you should plan for that to come out of your business budget
- Be realistic about costs



**For More Information**  
**Today's Presentation will be**  
**posted at [www.agconnectpa.org](http://www.agconnectpa.org)**



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