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**EXECUTIVE SUMMARY**

[TGL Loan Officer] is a start-up service firm based in [Camden NJ] that acts as an intermediary between small and medium-sized banks and potential borrowers. The firm analyzes financial records and statistical information to measure the potential borrower’s risks and capacity to repay the full amount within a specific period. The firm is also in charge of determining the interest rate of a loan.

**COMPANY OVERVIEW**

**Mission Statement:** To provide professional and reliable loan intermediary services to small and medium-sized banks in [New Jersey].

**Philosophy:** [TGL Loan Officer] believes that the keys to the firm’s success are when:

* The firm demonstrates integrity in all aspects of the business at all times.
* The firm develops a solid identity, establishing long-term relationships with the banks in [New Jersey].

**Vision:** To become the leading loan officer in [New Jersey].

**Outlook:** The number of loan applications has soared over the past decade because of the rising level of consumer confidence. The recent favorable economic conditions and low interest rates have fueled the people of [New Jersey] to purchase houses and cars through loans, therefore increasing the demand for loan officers in the next few years.

**Type of Industry:** Services Industry

**Business Structure:** Sole Proprietorship

**Ownership:** Sole Proprietorship, [Christie T. Goode]

**Start-Up Summary**: The total start-up cost for [TGL Loan Officer] is [$51,200.95], which will be fully provided by the owner, [Christie T. Goode]. The amount that will be invested in the firm will be used for operating expenses, advertising, and insurance.

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| **Start-Up Funding** |
| Start-Up Expenses | $ 9,481.93 |
| Start-Up Assets | $ 41,719.02 |
| **Total Funding Required** | **$ 51,200.95** |
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| Assets |
| Non-Cash Assets from Start-Up | $ 34,545.86 |
| Cash Requirements from Start-up | $ 5,918.50 |
| Additional Cash Raised | $ - |
| Cash Balance on Starting Date | $ 1,254.66 |
| **Total Assets** | **$ 41,719.02** |
|  |
| Capital |
| Planned Investment |
| Owner | $ 51,200.95 |
| Other | $ - |
| Additional Investment Requirement | $ - |
| **Total Planned Investment** | **$ 51,200.95** |
| Loss at Start-Up (Start-Up Expenses) | $ 9,481.93 |
| **Total Capital** | **$ 41,719.02** |
| Liabilities | $ - |
| **Total Capital and Liabilities** | **$ 41,719.02** |
|  |
| **Start-Up** |
| Requirements |
| Start-Up Expenses |
| Rent | $ - |
| Advertising | $ 2,401.75 |
| Legal Fees | $ 478.41 |
| Staff Training | $ 3,225.58 |
| Insurance | $ 2,568.16 |
| Other | $ 808.03 |
| **Total Start-Up Expenses** | **$ 9,481.93** |
|  |
| Start-Up Assets |
| Cash Required | $ 7,173.16 |
| Start-Up Inventory | $ 5,851.93 |
| Other Current Assets | $ 10,825.27 |
| Long-Term Assets | $ 17,868.66 |
| **Total Assets** | **$ 41,719.02** |
| **Total Requirements (Total Start-Up Expenses + Total Assets)** | **$ 51,200.95** |

**Management Team:**

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| --- | --- | --- |
| **Management Team** | **Role/Function** | **Skills** |
| Sherry J. Kennedy | Head Loan Officer | Interpersonal, Sales, Counseling, and Evaluating |
| Joan E. Ferrer | Administrative and Human Resources Manager | Time Management, Problem-solving, Performance Management, and Project Management |

**Short- and Long-Term Goals and Milestones:**

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| **Short-Term Goals** | **Milestones** |
| Conduct feasibility studies | Completed on January 22, 2019 |
| Recruit competent loan officers | Completed on February 13, 2019 |
| **Long-Term Goals** | **Milestones** |
| Establish a business relationship with the banks of New Jersey | Expected in April 2019 |
| Reach a monthly net profit of $9,000 | Expected in June 2019 |

**PRODUCTS AND SERVICES**

**Product/Service Description:** [TGL Loan Officer] will act as an intermediary between a client and a potential borrower, analyzing complex data before recommending a loan application for bank approval. The firm will focus on providing its services to the small and medium-sized banks in [New Jersey].

[TGL Loan Officer] will handle these services for its clients:

* Evaluate all risk factors
* Authorize loan applications
* Provide reasonable recommendations
* Advise clients regarding loan application terms

**Value Proposition:** [Christie T. Goode] is a hands-on owner who ensures complete service to all clients. She oversees all cases and personally advises the clients and the potential borrowers, improving the chances of both parties to ink a successful transaction. This way, the firm is able to influence and help build a better community in [New Jersey].

**Pricing Strategy:** [TGL Loan Officer] is a community-oriented firm, but it also intends to maximize profits whenever possible. Thus, the firm will charge its clients with flat fees on top of commissions. This allows the clients to better predict service charges, ensuring transparency in each case handled.

Formula:

Profit Margin = 1- (Expenses/Net Sales)

[TGL Loan Officer]

Profit Margin = 1 - ($82,282.28/$102,276.52)

 = 1-0.8045

 = 0.1955 or 19.55%

**EXECUTION**

**Marketing Plan:** [TGL Loan Officer] plans on gaining market shares by targeting small and medium-sized banks within [New Jersey]. The firm emphasizes networking with bank officials in hopes of potentially working for them. Also, the firm will engage in word-of-mouth marketing by encouraging satisfied clients to spread the company’s services to the community.

**Market Research:** In [New Jersey], as residents and local businesses begin to recover from the last recession, they also begin to desire in acquiring new properties and vehicles. This trend leads to an increasing number of loan applications, prompting banks to continue to seek the services of a loan officer. That said, a steady rise in the demand for loan officers should be expected in the next decade.

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| **SWOT Analysis** | **Strengths** | **Weaknesses** | **Opportunities** | **Threats** |
| TGL Loan Officer | * Hands-on owner
* Affordable flat fees
 | Lacks the financial capacity to compete with established credit evaluators  | * An increasing number of applications for house and car loans
* More businesses that need extra cash to meet their monthly expenses
 | * Unfavorable government policies
* Economic downturn
 |
| D Cue Loans Inc | * World-class brand
* Offers a wide range of services
 | Expensive flat fees | Clients always recognize world-class brands first | Companies that offer high-quality services at an affordable price |
| P. Ingles Loan Services | Has the financial backing of the Bank of New Jersey | Strict regulations that lead to more case rejections | Established clients that need major financial aids (e.g. corporates and local banks) | Companies that can better accommodate the masses |

**Marketing Strategy:** [TGL Loan Officer] ensures excellent handling of each client’s case, leveraging on word-of-mouth advertising from satisfied clients. The firm will also actively reach out to individuals and entrepreneurs who are in need and are qualified to avail the firm’s services.

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| **Marketing Strategy** | **Activities** | **Timeline** | **Success Criteria** |
| Direct Marketing | Hand out brochures to the public | March to April 2019 | There are, at least, ten clients every week. |
| Word-of-mouth Marketing | Encourage clients to spread the firm’s brand | Indefinite | There are, at least, twenty-five referrals every month. |
| Networking | Join local chambers of commerce | March 2019 to September 2019 | Form, at least, four established business relationships in every event. |

**Organizational Structure:**

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**OPERATIONAL PLAN**

**Location and Facilities**

Provide a sketch or blueprint of the facility.

Provide photos or images of the location/facility.

**Tools and Equipment Checklist**

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| **Software** | **Quantity** |
| QuickBooks | 10 |
| @RISK | 25 |
| **Hardware** | **Quantity** |
| Desktops | 25 |
| Laptops | 10 |

**IT Infrastructure**

The following table reflects the current status or condition of the IT infrastructure of [TGL Loan Officer].

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| --- | --- | --- |
| **Infrastructure** | **Existing (Y/N)** | **Description** |
| Risk Evaluation Software | Y | The company has installed @RISK. |
| Accounting Software | Y | The company has installed QuickBooks. |

**FINANCIAL PLAN**

**Assumptions**

The basic assumptions for [TGL Loan Officer] are as follows:

* The firm’s monthly expenses will vary, depending on a wide range of factors such as government policies and operating expenses.
* For the first fiscal year, the firm will not experience massive profits since it has to build yet its reputation. The firm’s monthly revenue trajectory is only expected to go up in the second year after it gains a solid market base.

**Monthly Expenses**

The chart shows the projected monthly expenses for [2019].



**Monthly Revenues**

The chart depicts the projected monthly revenues for [2019].



**Business Financing**

[TGL Loan Officer] is owned and managed by [Christie T. Goode]. She is the only financier of the firm, but she welcomes potential business partners.

**Statements**

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| **Profit and Loss Projection** |
|  | **FY2019** | **FY2020** | **FY2021** |
| Sales | $ 260,333.09 | $ 360,075.66 | $ 702,050.26 |
| Direct Cost of Sale | $ 31,333.08 | $ 35,860.11 | $ 37,164.36 |
| Other Cost of Sale | $ - | $ - | $ - |
| **Total Cost of Goods Sold or COGS (Sales - Direct Cost of Sale - Other Cost of Sale)** | $ 31,333.08 | $ 35,860.11 | $ 37,164.36 |
| **Gross Profit (Sales-Total Cost of Goods Sold)** | $ 229,000.01 | $ 324,215.55 | $ 664,885.90 |
| **Gross Margin % (Gross Profit/Sales)** | **87.96%** | **90.04%** | **94.71%** |
|  |
| **Operating Expenses** |
| Rent | $ - | $ - | $ - |
| Insurance | $ 30,817.92 | $ 32,339.51 | $ 36,766.32 |
| Utilities | $ 3,272.16 | $ 3,474.30 | $ 3,919.98 |
| Salary (Including Tax) | $ 161,228.64 | $ 167,358.08 | $ 252,794.21 |
| Maintenance & Supplies | $ 6,581.28 | $ 8,737.69 | $ 10,773.20 |
| **Total Operating Expenses** | **$ 201,900.00** | **$ 211,909.58** | **$ 304,253.71** |
|  |
| EBITDA (Total Cost of Sale-Total Operating Expenses) | $ 27,100.01 | $ 112,305.97 | $ 360,632.19 |
| Depreciation | $ 4,000.00 | $ 4,000.00 | $ 4,000.00 |
| Interest Expense | $ - | $ - | $ - |
| Taxes Paid | $ 17,369.25 | $ 19,769.84 | $ 26,266.53 |
| **Net Profit (Gross Profit - Operating Expenses - Taxes - Interest)** | **$ 9,730.76** | **$ 92,536.13** | **$ 334,365.66** |

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| **Balance Sheet Projection** |
|  | **FY2019** | **FY2020** | **FY2021** |
| Cash | $ 139,011.30 | $ 160,330.47 | $ 209,869.38 |
| Accounts Receivable | $ 54,866.11 | $ 59,553.13 | $ 80,951.11 |
| Inventory | $ 7,937.36 | $ 11,118.13 | $ 13,661.45 |
| Other Current Assets | $ 13,239.04 | $ 17,132.51 | $ 19,802.28 |
| **Total Current Assets** | **$ 215,053.81** | **$ 248,134.24** | **$ 324,284.22** |
|  |
| Long-Term Assets | $ 19,385.08 | $ 22,065.84 | $ 25,705.98 |
| Accumulated Depreciation | $ 2,520.06 | $ 2,868.56 | $ 3,341.78 |
| **Total Long-Term Assets (Long-Term Assets-Accumulated Depreciation)** | $ 16,865.02 | $ 19,197.28 | $ 22,364.20 |
| **Total Assets (Total Current Assets + Total Long-Term Assets)** | **$ 231,918.83** | **$ 267,331.52** | **$ 346,648.42** |
|  |
| Accounts Payable | $ 10,185.68 | $ 11,588.87 | $ 13,698.91 |
| Notes Payable | $ 5,094.47 | $ 5,265.45 | $ 5,482.63 |
| Other | $ - | $ - | $ - |
| **Total Liabilities** | **$ 15,280.15** | **$ 16,854.32** | **$ 19,181.54** |
|  |
| Paid-in Capital | $ 51,200.95 | $ 55,367.43 | $ 62,628.55 |
| Retained Earnings | $ 252,310.50 | $ 620,360.18 | $ 1,308,977.22 |
| **Total Owner's Equity (Total Assets - Total Liabilities)** | **$ 216,638.68** | **$ 250,477.20** | **$ 327,466.88** |
| **Total Liabilities & Equity (Total Liabilities/Total Owner's Equity)** | **7.05%** | **6.73%** | **5.86%** |

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| **Cash Flow Projection** |
|  | **FY2019** | **FY2020** | **FY2021** |
| Operating Cash Beginning | $ 139,011.30 | $ 160,330.47 | $ 209,869.38 |
|  |
| **Sources of Cash** | $ - | $ - | $ - |
| Receivables | $ 54,866.11 | $ 59,553.13 | $ 80,951.11 |
| Sales | $ 260,333.09 | $ 360,075.66 | $ 702,050.26 |
| Others | $ - | $ - | $ - |
| **Total Cash** | $ 454,210.50 | $ 579,959.26 | $ 992,870.75 |
|  |
| **Expenditures** |
| Rent | $ - | $ - | $ - |
| Insurance | $ 30,817.92 | $ 32,339.51 | $ 36,766.32 |
| Utilities | $ 3,272.16 | $ 3,474.30 | $ 3,919.98 |
| Salary (Including Tax) | $ 161,228.64 | $ 167,358.08 | $ 252,794.21 |
| Maintenance & Supplies | $ 6,581.28 | $ 8,737.69 | $ 10,773.20 |
| **Total Expenditures** | $ 201,900.00 | $ 211,909.58 | $ 304,253.71 |
| **Net Income/Loss (Total Cash - Total Expenditures)** | **$ 252,310.50** | **$ 368,049.68** | **$ 688,617.04** |