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BUSINESS RESOURCE · ACCESS TO CAPITAL

Three signs you're ready for growth capital

Check three signs in your numbers before you take on capital to grow.

Every growing business eventually reaches a point where the next step costs more than what is currently coming in: a second location, a new hire ahead of demand, or equipment that pays for itself in six months. Growth capital exists for exactly that moment, and it works best when the business is ready to carry it.

> *Growth capital is a tool for building on strength you already have.*

Readiness comes down to three things underneath the opportunity: how steady the business already is, how clearly the funds are earmarked, and how much room exists to take on something new.

3 signs you are ready

01

Steady cash flow for three or more months

One strong month can be timing. Three in a row is a pattern, and a pattern is what a lender, and your own operations, can plan around.

02

A clear plan for the funds

Growth capital works best with a specific destination: a hire, a location, a piece of equipment. Funds with a defined purpose go straight into the growth they were meant for.

03

Room in your budget for a new payment

Make sure you can absorb the payment in an average month, without pulling from the buffer that protects the rest of the business. If you already carry other loans, check what happens to all of them if one month falls short.

Growth is one of the most common reasons a business seeks capital, and the timing matters. None of these three signs require perfect conditions. They require a clear, honest look at where the business stands today.

YOUR ACTION STEP **Before you apply**

Check your readiness

Look at your last three months of cash flow, write down exactly where the funds would go, and test a new payment against an average month. If you are not sure whether now is the moment, a loan consultant can look at your specific numbers with you.

TRUSTED SOURCES

- LiftFund, Capital Readiness Check
- Chase, Business Resource Center, Business Resource Center

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Every guide gives you one practical step on cash flow, credit or growth. Find the next one at ascendus.org/resources.

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