

Before Apply for a Loan from an MFI or Bank

Ask Yourself:

- What do I need the money for?
- How much do I need and what will I spend the money on?
- How will it help my business?
- How quickly do I need the money?
- Can I pay the loan back? Have I completed a cashflow forecast? Am I confident that in my predictions?

Ask the MFI or Bank:

- What kind of loan or credit do you recommend for my needs?
- What documents do I need to apply?
- How much can I borrow?
- What are the interest rates? What are the total costs? (How much do I pay back total in interest?)
- What is the payment schedule?
- How long does the application process take?
- If I want to change or modify my loan, what is the process for this?
- If I miss a payment what is the penalty?
- What happens if I cannot pay back the loan?