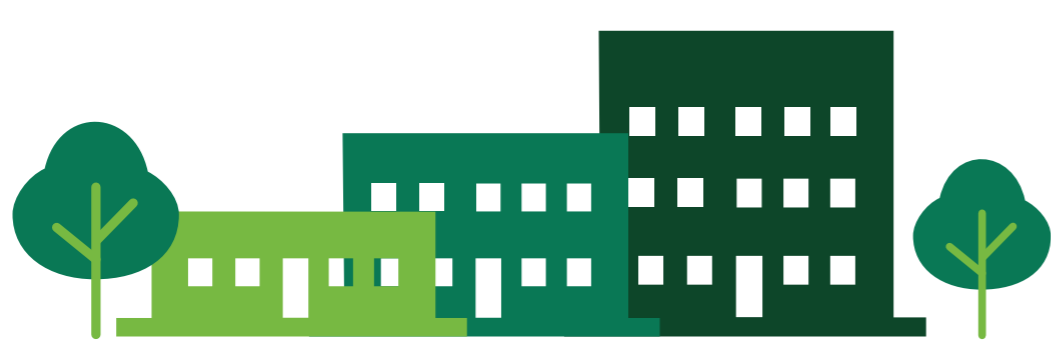


7 Ways to Grow Your Business by Using Debt Wisely



8 out of **10**

entrepreneurs want to grow their businesses.¹

HELP YOUR BUSINESS GROW BY USING DEBT...



... to assist in an emergency.

Are you ready for an unanticipated income interruption? A line of credit can help. Experts advise having **2 to 6 months'** revenue available.²

... to better manage up and down periods.

A **line of credit** can give a seasonal business the means to buy inventory now that it will need later, during its peak months.

... to avoid the downsides of equity partnerships.

Your bank will only intervene in your operations if you default on your loan. But an equity partner can require a say in your decision making.



... to buy your space.

Consider the advantages of buying your business location, deducting the mortgage interest on your business tax return, and **gaining equity**.



... to fund new business opportunities.

56% of loan applicants want to pursue an expansion opportunity and/or buy equipment.³

... to save at tax time.

Since the IRS subtracts loan carrying costs from business profits, your business can benefit from a **lower taxable income**.⁴

... to buy in to your dream.

A banking relationship can **help you buy a professional practice** and fuel its growth.

BY THE NUMBERS: HOW BORROWING CAN PAY OFF



You've got a shot at a contract for\$60,000
 ... but it requires equipment totaling\$30,000
 That's a potential profit of\$30,000
 If the interest on the loan costs \$5,000
 That leaves you with a **gross profit of****\$25,000**
 (and new equipment you can use to bring in more revenue)⁵

Talk with your business banking specialist to learn more about these and other financing alternatives.

M&T Bank

¹Small Business Credit Survey, Federal Reserve Banks, 2019, Page 5 <https://www.fedsmallbusiness.org/medialibrary/fedsmallbusiness/files/2019/sbcs-employer-firms-report.pdf>. ²Score.org, How Much Cash Should Businesses Keep in Reserve? <https://www.score.org/blog/how-much-cash-should-small-business-keep-reserve>. ³Small Business Credit Survey, Federal Reserve Banks, 2019, Page 10 <https://www.fedsmallbusiness.org/medialibrary/fedsmallbusiness/files/2019/sbcs-employer-firms-report.pdf>. ⁴<https://www.irs.gov/newsroom/basic-questions-and-answers-about-the-limitation-on-the-deduction-for-business-interest-expense>. ⁵M&T Bank Article, Use Loans to Fuel Your Small Business Growth, 8/2018. <https://library.mtb.com/using-loans-to-fuel-your-small-business-growth>.