DYNASTY BRIEF / CAPITAL & CREDIT

Before You Borrow, Give the Money a Job

The equipment may be useful. The payment still has to fit the business.

ACT I / ESTABLISH

A busy shop wants another truck

A growing shop sees a truck it could use tomorrow. The seller shows a monthly payment. That is one number, but it does not explain whether the purchase fits the next year of work.

A useful banking or finance worker helps connect the asset, its purpose, and the money that must come back in. The job begins with understanding the business question.

ACT II / DEEPEN

Compare the whole decision

Take a Texas service business comparing buying, borrowing, and leasing. This is an illustration, not a loan recommendation. Ask how long the asset will be useful, who pays for upkeep, and what cash must remain available.

SBA guidance explains that buying and leasing have different costs and responsibilities. Terms differ, so the agreement matters more than a simple label.

ACT III / TURN

An approval is not the operating plan

Borrowing can spread a purchase over time, but interest and fees add cost. Paying cash avoids a loan payment but leaves less cash for operations.

Neither choice is automatically best. A sales pitch or software score does not replace reviewing the actual terms and the business's ability to meet them. A forecast of new work is not the same as a signed customer commitment.

ACT IV / RESULT

Build the question before the application

Use made-up figures to compare a purchase, a lease, and a slower-work month. List the missing facts instead of forcing a winner. Ask a lender which records help explain the business and proposed use of funds.

Explore Capital & Credit 101 for the questions and roles behind a financing decision. Get qualified help before committing your own business to terms.

FOLLOW THE SPARK / CAPITAL & CREDIT 101

Credit, Capital & Borrowing - explore the field and career ladder.
Introduction open; full lessons in development. Not professional advice.