

What is a Feasibility Study? - Wert-Berater, LLC

Wert-Berater, LLC is the nation's leading provider of SBA and USDA Feasibility Studies.

HOUSTON, TEXAS, USA, January 27, 2021 /EINPresswire.com/ -- [What is a Feasibility Study?](https://www.wert-berater.com/contact.html)

A [feasibility study](#), as the name suggests, is designed to reveal whether a project/plan is feasible. It is an assessment of the practicality of a proposed project/plan.



Why Does Your SBA or USDA Lender Request a Feasibility Study as Part of Your Loan Application?



Bankable Feasibility Studies nationwide!"

Donald Safranek

The feasibility study is intended to provide an unbiased third party evaluation of the following items:

USDA Guide RD Instruction 4279-B

1) Executive Summary: Introduction/Project Overview (Brief

general overview of project location, size, etc.); Economic feasibility determination/opinion; Technical feasibility determination/opinion; Market feasibility determination/opinion; Financial feasibility determination/opinion; Management feasibility determination/opinion; Recommendations for implementation, including an overall conclusion as to the business' chance of success (Revised 10-05-16, PN 489.)

2) Economic Feasibility: Information regarding project site; Availability of trained or trainable labor; Availability of infrastructure, including utilities, and rail, air and road service to the site.

3) Market Feasibility: Information on the sales organization and management; Nature and extent of market and market area; Marketing plans for sale of projected output - principal products and byproducts; Extent of competition including other similar facilities in the market area; Commitments from customers or brokers - principal products and byproducts. Adequacy of raw materials and supplies. Projected total supply from members and non-members. Projected competitive demand for raw materials. Procurement plan and projected procurement costs. Form of commitment of raw materials (marketing agreements, etc.).

4) Technical Feasibility: Suitability of the selected site for the intended use including an environmental impact analysis. Report must be based upon verifiable data and contain sufficient information and analysis so that a determination may be made on the technical feasibility of achieving the levels of income or production that are projected in the financial statements. Report must also identify any constraints or limitations in these financial projections and any other facility or design-related factors which might affect the success of the enterprise.

Report must also identify and estimate project operation and development costs and specify the level of accuracy of these estimates and the assumptions on which these estimates have been based.

Project engineer or architect may be considered an independent party provided neither the principals of the firm nor any individual of the firm who participates in the technical feasibility report has a financial interest in the project and provided further that no other individual or firm with the expertise necessary to make such a determination is reasonably available to perform the function. Commercial Replication. Risks Related: Construction, Production Regulation and Governmental Action.

5) Financial Feasibility: Reliability of the financial projections and assumptions on which the financial statements are based. Two years (minimum) projected Income Statements and Cash Flow Statements, including Sensitivity Analysis. The income approach of an appraisal is not an acceptable feasibility study. (Revised 10-05-16, PN 489.). Ability of the business to achieve the projected income and cash flow. Assessment of the cost accounting system. Availability of short-term credit for seasonable business. Risks Related to: The offering, Applicant financing plan, Operational units, and Tax issues.

6) Management Feasibility: Discuss adequacy of management (experience, training, and education of management). Discuss continuity of management (is there a continuity of management plan and is there depth of management?). Evidence that continuity and adequacy of management has been evaluated and documented as being satisfactory. Discuss motivation and character of management. Risks Related to: Applicant as a company (i.e. development-stage) Conflicts of interest or appearances thereof.

How to Order a Feasibility Study for your Project?

Wert-Berater, LLC has 30 offices in the United States. You can locate one of our nationwide offices at: <https://www.wert-berater.com/contact.html>

Items we will need to provide a cost and turn time for your feasibility study are as follows:

- 1) Project overview that explains what your business plan is, where the project is located, project cost and if it is new construction or an expansion?
- 2) Your company name
- 3) Your company address

We provide a written feasibility study proposal normally the same day. Contact us by calling: 1.888.661.4449.

About Wert-Berater, LLC

Since 1998, we have provided thousands of feasibility studies on a vast array of project types, globally. You can view some of your completed projects at our Experience page:

<https://www.wert-berater.com/experience.html>

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