“Lenders are people who offer you money when you don’t need it, and take it back from you when you do.”

We’ve all heard that one before, and even though it’s meant as a joke there is a kernel of truth in it. The best time to approach a lender is not when your need for capital has grown desperate. The best time is when your company is doing well, but there is an opportunity for growth. It is a delicate balancing act — you need the money, but you also need to show sufficient financial strength. How do you do it?

Let’s consider four magic numbers that should get you where you need to go.

1. This is the ratio of your historical cash flow to the projected debt service you need. Some lenders will be more or less conservative, and SBA backing will help, but 1.2 times “cash flow coverage” is what you should use as a benchmark. Put another way, your cash flow from last year ought to be 120% of the projected debt service you will have next year — including the new debt you are applying for.

2. A credit score around 680 is probably the minimum you can get by with and still qualify for a traditional business loan. A score of 700 or higher would be better. You’re in trouble if you’re at 650 or below. If you’re seeking a business loan, have good personal credit — as strange as that sounds, post-recession underwriting looks at both your personal and business credit very closely.

3. Treat your personal cash flow like a division of your business. This is much less important for large middle market firms, but critical for small businesses. A common test lenders use is they want your personal debt payments to be less than 35% of your personal income. Beyond that, you’re in danger of racking up credit card balances and soon it will affect your personal credit score (see “680” above).

10%: Too many small businesses and entrepreneurs are expecting the bank to cover 100% of their project costs. That can happen sometimes, but in general you ought to plan on having (saved up in the bank) 10% to 20% of your project, ready in cash, for you to inject yourself. The lenders call this “skin in the game” but what it really demonstrates is you’ve been able to generate excess cash historically and you’ve saved it to invest in the business (see “1.2” above).

The U.S. Small Business Administration provides tens of thousands of the loan guarantees to small businesses every year, and these guarantees limit bank risk and turn “no” into “yes” for many entrepreneurs. However, even SBA backing does not guarantee an approval by a lender. Use the benchmarks above to help you manage your money to have the best opportunity of receiving lending for your business.