Small Business Funding Options

Wondering which solution is right for your business?
Check out our simple guide to the most popular options...

	Angel Investment	Crowdfunding	Small Business Grants	Traditional Bank Loan	Lendified Online Loan	Merchant Advance
How It Works	An investor or group provides you with money in exchange for equity	Many people give you money in exchange for a future product or service	The government or a private company provides you with a grant	A bank lends you money that you pay back with interest	Lendified, an online financial institution, lends you money that you pay back with interest	A company advances you money in exchange for a % of future daily sales
Available Funding	Depends on the investor and your business	You can either "keep what you earn" or risk not getting anything if your goal isn't met	Varies according to the grant	Typically between \$25,000 - \$500,000, but depends on your ability to repay and collateral	\$5,000 - \$150,000, depending on the overall health of your business	\$5,000 - \$1,000,000 depending on your credit/debit card sales volume
Application Process *Time to decision*	Normally requires a business plan, pitch deck, and term sheet *1-3 months or more*	Create and promote a campaign that will stand out on an online platform *Your own deadlines*	Multiple forms, strict guidelines, and the occasional interview *1-12 months*	Multiple forms, tax records, income statements, and collateral *2+ weeks*	100% online application that takes minutes to complete *As fast as 48 hours*	Initial online application followed supporting financial data / documents *2-7 days*
Repayment	When you sell the company, sell shares, or make profits and pay dividends	You do not have to repay the money, but are responsible for delivering updates and perks	You do not need to repay grants	Fixed monthly payments over the term (1-5 yrs) and penalties for prepayment	Fixed bi-weekly payments over the term (3-24 months) with no penalty for prepayment	Fixed daily % of your credit/debit card sales volume until the advance is paid back
Cost	The investor or group usually takes between 10-25% ownership in your business	Signup fee of 3-9%, 2-5% processing fee, and the investment in the campaign	Only your time	Averages between 6-8% APR	Rates are unique to each business and often sit between a bank loan and merchant advance	Can be over 40% for terms longer than 6 months
Who It's Ideally For	Businesses just starting out that offer investors the potential to realize a 5-10x return	Those launching a new product and want to try to get early validation and exposure	Programs are available for all types of businesses for purposes ranging from hiring to R&D	Business owners who have good credit, collateral, and don't need cash fast	Established businesses who can't get enough bank financing or want a fast and easy process	Businesses who cannot obtain other financing or want capital fast, even if it's at a premium

lendified