



Growing your business with affordable financing

An affordable business loan, designed exclusively
for small businesses like yours

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Overview

Why business debt is NOT a dirty word	3
The lending landscape: comparison shopping	5
What makes a good lender great?	8
Funding Circle's rates and terms	10
How to apply for a loan	11
Will you qualify?	12
Your next step to affordable financing	13



Why business debt is NOT a dirty word

There's something undeniably thrilling about running a bootstrapped business — throwing all your personal savings behind an idea and waking up each morning knowing that everything you've built is the direct result of your own sweat and tears.

But it can also be frustrating to have to put new ideas on hold or to pass on a perfect growth opportunity for your business simply because you don't have enough capital saved up to make it happen.



When Peak Design had a new product design ready for launch, Peter borrowed \$200K to turn his idea into revenue. [Learn more about Peak Design's story.](#)

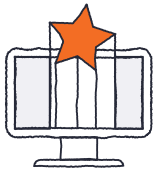
Read more:

[3 business scenarios that take money to make money](#)

It's okay to be a little nervous taking out a business loan for the first time. In fact, some healthy skepticism is important to keep you from falling for a loan shark with dangerously high interest rates. But successful small business owners know that consistent access to affordable capital is one of the keys to building a resilient company.



A business with an appropriate amount of debt can be the sign of a healthy business — a business that is increasing supply to meeting swelling customer demand, a business that is thinking strategically to outmaneuver its competitors, a business with an owner that was Made to do More.



Top 5 reasons small businesses borrow money

1. Buy inventory or equipment

Invest in new equipment and fulfill every order through bulk inventory purchases.

2. Hire more employees

Expand your team by attracting and retaining the best staff.

3. Move or expand to a new space

Give your business room to grow with a bigger office, a new retail location, or more warehouse space.

4. Increase visibility and customer loyalty

Tell existing customers about a new product or refresh your marketing strategy to bring in additional revenue.

5. Refinance existing debt

Convert high-interest debt into one monthly payment at a fixed rate you can afford, with no early repayment penalties.

What could you do with an extra \$500K in your bank account? We can't wait to find out...




The lending landscape: comparison shopping

With a few different options out there, how do you find the right type of financing for your business?

Application process

Your time is valuable. Let's compare how Funding Circle's simple, online application process stacks up against other common small business lenders.

	Merchant cash advance (MCA) & factoring	SBA and bank loans	 Funding Circle
Application time	~ 10 minutes	Hours	< 10 minutes
Approval time	Varies	Months	As little as 24 hours
Point of contact	Series of salespeople	General phone line	Your own personal Account Manager
Who makes the decision?	Computer algorithm	Corporate committee	Personal underwriter
Ease of approval	Suspiciously easy	Frustratingly difficult	We want to fund you





Loan terms

Interest rates can fluctuate considerably between lenders and the rate you receive depends on a number of factors — from the type of financing and term length, to your credit score and whether the loan is secured by assets.

	Merchant cash advance (MCA) & factoring	SBA and bank loans	 Funding Circle
Size	< \$100K	Usually > \$100K	\$25K - \$500K
Term length	< 6 months	< 7 years	6 months - 5 years
Annual interest rate	Very high Often with daily payments	Low rates If your business qualifies	As low as 4.99% Fixed, monthly payments
Fees	Varies and unpredictable	Depends	Clear, onetime fee: 0.99% - 6.99% of loan
Prepayment penalty	Sometimes	Sometimes	Never
Takes a cut of your sales	Yes, every day	No	No, it's your money



**Read more:**

[3 reasons it can be dangerous to fund your business with credit cards](#)

The bottom line

A merchant cash advance (MCA) is generally designed as an option for businesses that need a small injection of money, quickly, for a very short period of time. Almost any business can get approved in just a few hours, but you could potentially pay for that speed and superficial underwriting process with dangerously high interest rates.

An SBA loan or traditional bank loan generally offer some of the lowest interest rates available. But unless you have an exemplary personal and business credit history, it can be difficult to get approved. Because their application process is infamously slow and impersonal, you can spend months jumping through hoops and waiting around only to find you've been denied.

A Funding Circle term loan was designed by small business owners for small businesses. It takes just a few minutes to apply and you can get funded in as few as 10 days. Our most creditworthy applicants receive rates that are competitive with traditional bank loans, and because we believe in an honest, transparent borrowing experience you'll know exactly how much you have to repay each month with no hidden fees or prepayment penalties.





What makes a good lender great?

At Funding Circle, we've made small business financing fairer, faster, and more simple.

As the world's leading marketplace lender for small business finance, we connect successful small businesses like yours with investors who want to see your business thrive!

Once your application is approved, it will be listed on our marketplace where investors will have the opportunity to fund part or all of your loan. Globally, more than 60,000 individuals and financial/government institutions have already invested in small businesses through Funding Circle, and they're waiting to fund more businesses, just like yours.

By cutting out the costs and complexities associated with a traditional bank, we're able to get you a decision in as little as 24 hours.

5 reasons to grow with Funding Circle

1. 6 month - 5 year terms with rates starting at 4.99%.
2. Loans up to \$500,000 with fixed, affordable monthly repayments.
3. No hidden fees or prepayment penalties — ever!
4. Simple online application, so you can skip the paperwork at the bank.
5. You're more than just a credit score — work with your own account manager who's passionate about your business and wants to help you find the financing you need.



But don't just take our word for it...

More than 32,000 small businesses have borrowed over \$4 billion through our global marketplace. And over 90% of our customers on Trustpilot have given us a five-star rating!



Excellent ★★★★★

Easy, fast, hassle-free 'non-bank' experience

"If you want to be merited on your business potential rather than your credit rating use Funding Circle. If not, use your bank. My experience was easy, fast and hassle free. Communication was regular, to the point and prompt. Paperwork was minimal and I got the end result both in terms of borrowing to expand my business and at a sensible rate. My experience was everything the banks are not."

Excellent ★★★★★

Shocked!

"I could not believe how simple, quick, easy and competitive this loan turned out to be. With all the high interest loan sharks blasting my email on a daily basis, I feel so lucky to have found Funding Circle. The overall experience could not have been better."

Excellent ★★★★★

Superb service

"I have nothing but unqualified praise for the support and help we received from Funding Circle. From the moment we applied, we were given fast responses, personal advice and support by phone and email, clear guidance and direction. The funding has enabled us to expand our business to new marketplaces and assure our continued growth and success in becoming our region's market leaders. Thank you!"

[Read more reviews](#)



Funding Circle's rates and terms

At last, financing made simple.

Interest rates remain fixed over the life of your loan.

We take a holistic approach when determining a small business' creditworthiness. This means your interest rate is determined by a number of factors – from your real-time cash flow and credit scores, to your personal or business assets and recent trends in your industry.

Term	Your possible interest rate	
6 months	4.99%	- 22.74%
12 months	7.05%	- 23.74%
24 months	7.35%	- 24.74%
36 months	7.65%	- 25.49%
48 months	7.95%	- 26.24%
60 months	8.25%	- 26.99%

Fees

We make borrowing as simple and transparent as possible, so you can focus on growing your business.

Unlike some other lenders, we want you to understand the terms of your loan. Below, we share all the fees you could ever be charged as a Funding Circle borrower, and your Account Manager will be genuinely happy to answer any questions you might have.

Want to pay your loan back early?

Go ahead! We won't ever charge you a prepayment penalty.

Origination Fee	0.99% - 6.99%	A one-time fee to cover our costs of evaluating and originating your loan. This fee is deducted from your total loan proceeds, which means you do not pay this if you do not receive a loan.
Late Payment Fee	10% of missed payment	If your monthly payment is late, you will be charged a fee on the missed payment. This fee is added to your original monthly payment, withdrawn from your account, and passed directly onto investors.
Non-Sufficient Funds Fee	\$35	If you don't have sufficient funds in your account to make a monthly payment, you may be charged a small fee to cover costs we incur on the failed transaction.



How to apply for a loan

We only do business lending at Funding Circle, so from the moment you apply to the moment you pay off your loan, everything is tailored to help you stay focused on your business.

Skip the piles of paperwork and get a business loan in 4 easy steps.

- 1 Apply online** (In under 10 minutes)
Submit your initial application in just a few clicks.
- 2 Hear from us** (Within 1 hour)
Your personal loan specialist is available to help you collect your documentation and answer any questions.
- 3 Get a decision** (In as little as 24 hours)
Your underwriter will review your completed application and may call to get to know your business more.
- 4 You get funded** (In as few as 5 days)
Once you've accepted your offer, you'll receive the funds within days.

What documentation is typically required?

You shouldn't have to wait weeks or months to find out if your business is approved.

Once you've uploaded your supporting documents, we can provide a credit decision in as little as 24 hours.

By providing just a few financial documents, we can get a much more holistic view of your business and approve you for a loan amount and interest rate that will help your business grow. Upload the following documents directly into our secure portal or email them to appupdates@fundingcircle.com.

- Two years of business tax returns
- Most recent personal tax return (everyone who owns $\geq 20\%$ of the business)
- Six months of bank statements (most recent bank statements at time of application)
- Photo of your driver's license and recent utility bill



Will you qualify?

We lend across a variety of industries including food and restaurant, medical, professional services, retail and ecommerce, agriculture, construction, and more. All applicants must have a registered business (LLCs are eligible, but sole proprietorships are not) with demonstrated revenue on at least two years of business tax returns.

When you apply, we will evaluate the creditworthiness of your business using a variety of factors to give us a “big picture” view of your business and a detailed look at your ability to generate the revenue needed to repay the loan.

We don't believe that any single metric should define the success of a business. So while we will look at your personal FICO score, we will also consider your personal assets and your overall business profile to see if our term loan is a good fit for your financial needs.

Want a deeper dive into the factors we consider?

[Explore the 5 Cs of Credit Every Business Owner Should Know](#)

Taking the next step

With twelve different hats to wear and a million and half things already on your plate, you shouldn't have to worry about the status of your loan application. We'll keep you in the loop every step of the way.

[Complete](#) an application in about 10 minutes and we'll let you know if you are approved in as little as 24 hours.

[Start application](#)

Applying won't affect your credit score!*

*If your business is organized as a general partnership, your credit score may be impacted when you submit your application.



We hope this guide has been useful!

If you have any questions, please get in touch.

support@fundingcircle.com

855.385.5356

8am - 8pm PT, M-F except federal holidays



Get more financing tips and advice from expert entrepreneurs on best practices for small businesses. Visit the Funding Circle [Small Business Resource Center](#).