

Where to GET THE MONEY WHEN STARTING A BUSINESS

BORROW FROM YOURSELF

Personal savings is the best primary source of funds for starting a business. It is helpful to open a new savings account to keep these savings separate from your other savings.



BORROW FROM FRIENDS & FAMILY

If your funding needs are relatively small, friends and family can be a great source of start-up capital and cash.

BORROW FROM A BANK OR CREDIT UNION

Having a good credit score will increase your chances of getting a loan and help you get a lower interest rate. If you live in the US, an SBA-backed loan may also be an option.



BORROW FROM ALTERNATIVE SOURCES

Alternative lending is any type of financing that falls outside of traditional lending. This includes microfinance, crowdfunding, and private direct peer-to-peer lending.

EQUITY FINANCING

Investors, rather than lenders, may also be a source of funding. Examples include angel investors and venture capitalists. Investors own a part of your business and may expect to be involved in decision-making.



SPECIALIZED LENDERS

There are other specialized lenders, like community development financial institutions (CDFIs) or economic development organizations, that serve their communities by assisting small business development.



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