



FundingKnight

CROWDLENDING TO BUSINESSES

Need a Business Loan?

7 reasons why a peer-to-peer business loan
could work for you



#ResponsiveLending

www.fundingknight.com



The rise and rise of peer-to-peer

Peer-to-peer lending and alternative finance are the new buzzwords.

These new forms of finance are enjoying an explosion of growth. In the UK alone they have grown by 250% in the last 12 months and some observers are saying they will be a \$1 trillion global industry by 2025.

Formed as a reaction to the banking crisis, when many small businesses have struggled to gain access to the finance they need from their banks. Peer-to-peer lending is now rapidly becoming a mainstream source of finance for businesses up and down the country.

So what is it?

Put simply, peer-to-peer lending brings businesses that need money together with investors that seek a higher return on their investments than they can get from the banks or building societies.

The two come together on an online platform. You apply for a loan in the normal way and, if it is agreed by one of our experienced credit managers, it is offered out to investors who offer to lend you the money.

There are no banks, no computer scorecards and no onerous security requirements – it is lending as it used to be: fast, responsive and personal.





7 reasons why a peer-to-peer business loan could work for you

1. Speed

As a small business, you need access to funds quickly so that you can continue with your growth plans in a timely fashion. With peer-to-peer lending this is entirely possible as loans can often be processed from initial application to the money being in your account within three weeks. Compare that to your bank, where you can be left waiting for months.

2. 100% Filled

Every loan that has gone live on the FundingKnight platform has been financed in full over a seven day auction. The make-up of our investors, who are there ready and waiting to lend the money, is such that there is no doubt your business will secure the full amount of the loan you apply for once it has been approved.

3. Lower rate for returning borrowers

Our returning borrowers have enjoyed a lower rate of interest on every subsequent loan they have applied for as the 'crowd' of investors becomes more comfortable with that particular company's ability to make monthly repayments as scheduled.

4. No hidden costs

What you see is what you get. The repayment terms are flexible, including early repayment without penalty. The fees are transparent so there are no hidden costs.

5. Personal approach from a friendly team

FundingKnight adopts a personal approach to assessing credit as we like to get to know the management of a business. We look beyond historic, filed accounts, credit scores and traditional security and into the business's ability to repay.

This means that businesses with a predominance of intangible assets in their balance sheet or irregular cashflow can be helped as much as established businesses with steady revenues.

We don't adopt traditional, rigid credit assessment criteria and many borrowers cite this personal touch as a decisive factor in returning to us for additional loans.

6. Unsecured lending

For many small businesses the prospect of having personal and business assets tied up with credit can be quite daunting. With FundingKnight, the majority of our loans can be accessed with only a personal guarantee from the directors. Our larger loans require security.

7. Brand awareness

The additional exposure generated simply from featuring on our platform can be an advantage for borrowers. Promoting a business to the investor community may spark interest from potential customers.



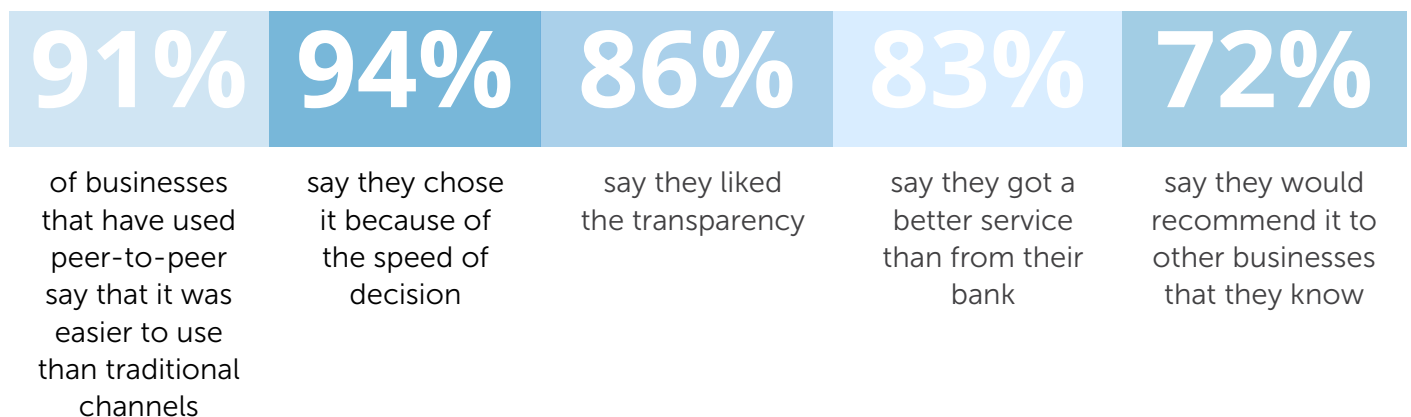


How can you use it?

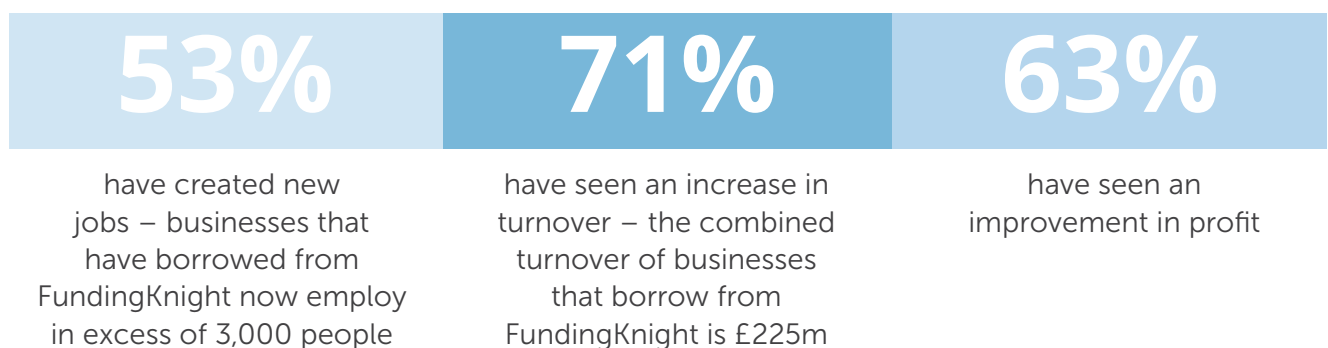
You can use a FundingKnight loan for a whole variety of reasons

- Expansion/growth capital
- Working capital
- Asset purchase or refurbishment

Let's look at the numbers



And the difference it makes





A case study LeisureBench

Saul Musson, managing director of successful garden furniture wholesalers LeisureBench, is in no doubt whatsoever that his company would not be in the healthy position it is today if it hadn't been for FundingKnight.

Having been turned down for finance by his bank, Mr Musson originally found his way to FundingKnight through his financial adviser. Three years and five fully repaid loans later, his business has produced year-on-year growth in turnover of 20 per cent for the past two financial years – the last one ending in September, 2014.

While this has obviously been good news for him as the proprietor, it has been pretty good for the local community in Melton Mowbray, Leicestershire, too. His headcount of permanent staff has virtually doubled to 11 over two years and he has been in a position to take on up to five part-timers in the peak summer season. "I can't begin to say how pleased I am with the friendly and professional way we have been treated by FundingKnight", he said.

The difference lies in flexibility. With a heavy emphasis on building up expensive stock in winter in anticipation of summer sales, LeisureBench's bank account can swing from being heavily in the red back into healthy black within the space of a few weeks. It is not a pattern of trading that holds much appeal to traditional banks, particularly in the absence of 'bricks and mortar' security. Yet, without that essential bridging finance, the company would not have been able to survive and grow.

"A lot of our furniture is sourced from abroad and we can have £50,000 tied up in the container alone while the goods are in transit. With our stock coming from as far away as the Far East and Eastern Europe, it can be a month before we are in a position to sell it", explains Mr Musson.

"We borrowed £150,000 from FundingKnight for a nine month period, but were able to pay it all back two months early. The flexibility was fantastic and being able to work in this way makes financial sense for us big time."

"With this sort of support we have been not only able to build our business, but also to attract a number of large, blue chip customers. I am looking to treble the size of the company over the next three years. I believe we have massive growth potential."



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