

# 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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