Article Side

Why a business cash advance has more benefits than small business loans

by Joseph Richard

Article published on April 4th 2012 | Finance

Every small business knows how difficult it is for one to get a small business loan these days. With the economy being what it is, qualifying for a loan has become difficult. The rates of interest provided by the banks are pretty steep and the kind of collateral that one has to keep is quite forbidding. However the need for a loan has not decreased. In such a scenario, a good option would be a business cash advance.

There are numerous alternatives to a business loan where you do not have to worry about how bad your credit history is or the kind of collateral that you will have to keep on stake. If you have decent business coming in from Visa and MasterCard sales and you have been in business from a little more than nine months, you will have no problems qualifying for a business cash advance. This will be collected against your sales transactions and the time frame is not constricting.

Here is an understanding of how a business cash advance has a few more benefits than a small business loan. With a small business cash advance, the rate of approval is much higher since more number of merchant pass the basic requirements. In the case of the small business loan, most applications tend to get rejected simply because they have a slightly doubtful credit history. The time frame for approval of a cash advance is anywhere between one day to three days, whereas that of a loan from a bank will take around a week, after you have submitted a load of paperwork.

Once you are approved for a business cash advance, you will get access to your money in a weekâ€™s time whereas from a bank it can take anywhere between a month or two to get to it. When it comes to repayment of your loan, you do not have to worry about being late on a monthly payment of a cash advance. Repayment is based on a percentage of your credit card sales. Your loan is paid in full, when your customers buy from you. So if you have a slow month at business, your repayment slows down as well. This is not the case with a small business loan and in the long run, it could even affect your credit history.

If you plan to apply for a business advance, do make sure that you make your enquiries a little in advance so that you know what the service provider needs. The qualifications can vary a small amount, though nothing that will affect your chances.

Article Source:
http://www.articleside.com/finance-articles/why-a-business-cash-advance-has-more-benefits-than-small-business-loans.htm - Article Side

Joseph Richard - About Author:
Welcome to Merchant Cash And Capital, MCC is a leading a Business Cash Advances provider and can get you access to up to $250,000 dollars in just 72 hours. A Business Cash Advance is the perfect alternative to merchant loans and small business loans. There are no application fees, no restriction on use of funds, minimal documentation and fast approval and funding in as little as 72 hours.

Article Keywords:
Business Cash Advances

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!