# Business Loans - Advantages Aplenty

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Article published on March 12th 2012 | Loans

Business loans have become the most popular way of raising finance for your business. There are various alternate methods available which can help a business grow through financing. There are also other popular ways to raise funds for business; one of them is merchant cash advance. . Many financial institutions and traditional banks lend money for opening the new restaurants. This type of lending is known as restaurant loans. Business loans have become the most popular way of raising finance for your business. There are various alternate methods available which can help a business grow through financing. These methods include raising equity capital and preference capital, business cash advance and many more. But from a businessmanâ€™s perspective, they find business loans to be the best method for raising funds. This is so because there are many advantages related to this method of finance. The most advantageous thing about this method is that if you take a loan from a company which lends loan or from any banker, the company or banker would be able to claim its amount only on the interest rate of that loan. Unlike other methods which include equity investors, in this the investors have the entitlement to some share in the company or some percentage of profits in the business.

Every businessman wants to grow his business from time to time. This cannot be done by investing funds only through profits, there has to be other ways to opt for financing. There are a lot of plans and schemes which have to be fulfilled for expansion of business. And for fulfilling those plans, there has to be some options to raise the finances to grow the business. There are also other popular ways to raise funds for business. One of them is merchant cash advance. This method includes an advance cash provider who provides lump sum amount of merchant cash advance to the merchant. According to the agreement, the merchant has to, in exchange, pay back the principal amount and fee. This has to done by giving some percentage to company, as will be agreed during agreement, through their credit card sales until the balance reaches zero. The payback limit for the amount is from 5 to 12 months and percentage is 12% to 24%.

In the earlier years, it was very difficult for the owners of the restaurants to get it financed through banks. But nowadays, it has become easier and simpler to get loan for the restaurant. There are many options which have emerged for getting a restaurant financed. Many financial institutions and traditional banks lend money for opening the new restaurants. The loan was difficult to get because there are many factors which are related to getting a restaurant financed from the banks and other institutions. These factors include size of the restaurant, ownerâ€™s experience in this business, amount of fund put by the borrower and balance fund needed. These factors play a very important role in deciding restaurant loans.

Article Source:
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Article Keywords:
merchant cash advance, restaurant loans

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