

Title:

Business Funding Sources

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Summary:

When you decide to open a business on your own, often times the excitement will have you ready to launch your idea right away, however one thing that may be holding you back

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Article Body:

When you decide to open a business on your own, often times the excitement will have you ready to launch your idea right away, however one thing that may be holding you back. You have several options in gaining much needed capital to begin to implement your business ideas. This article will include some ideas you can use to find funding for your business and begin to make the capital you need to grow.

So where can you begin to find funding sources for your business to gain capital? First place you should look is at the support of your friends and family. Occasionally, some people will get lucky and be able to find a lender within their family or friends to begin a business. You will want to be extremely careful however, borrowing from close friends or family can hurt your relationship with them, if extreme care for repayment is not made.

Another excellent avenue is to investigate any type of small business loans your government may offer. Many governments will offer new business owners loans for business start up, or disaster assistance and training. Also with the fast growing internet population there has been websites that have been created that allow lenders and borrowers to come together in efforts of starting up a business.

Another idea is to seek out venture capital firms; these are types of financial businesses that pulls together all partners resources and use these funds in efforts to help a new business entrepreneur being their business. In addition, look into your home equity, these types of loans typically called a second mortgage, allows you to borrow money from an institution by using the equity

contained within your home as a form of collateral.

Lastly, credit cards and angel investors are two other types of funding sources you can investigate. Using your personal credit card can be a very tempting funding source; this typically works if you have enough of a credit limit as well as the means to pay it. With credit cards, you will want to be extremely careful in using them for your business venture and make sure that you keep up with the minimal payments at least; otherwise, you could end up hurting your credit and its rating.

Angel investors are typically retired executives or business owners, which are specifically there to help you start your business. These angel investors typically can provide you beginning capital in excess of what any other funding source can. Generally, these loans can start at \$20,000 all the way up to around two million.