



Acorn Finance Product Guide

An overview of all of the credit products available through the Acorn Finance marketplace

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Business Term Loan

Similar to a traditional bank loan, a business term loan is a lump sum amount lent to the business which you then pay back over a set period of time and regularly scheduled payments determined by your credit profile.

Business term loans are best used for established businesses who need to make a specific, one-off investment in their business.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$25K to \$500K	1 - 5 years	7% - 30%	\$10k per month	6 months	550

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Short Term Business Loan

Similar to a traditional bank loan or a business term loan, a short-term business loan is a lump sum amount lent to the business which you then pay back over a set period of time (usually shorter than a business term loan or traditional bank loan).

Short-term business loans are best used for business owners who have short-term financing needs (cash flow issues or small investments like renovations or repairs) and may not qualify for a longer term solution.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$2.5K to over \$500K	3 - 18 months	starting at 10%	\$10k per month	6 months	500

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Business Line of Credit

With a business line of credit, you can borrow up to a maximum credit limit and only pay interest on the amount of funds you draw from your credit line on a monthly basis.

Business lines of credit are best for business owners who have ongoing financing needs or fluctuating revenue and want a way to access varying amounts of capital when needed.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$1M	6 months - 5 years	1-5%/month	\$10k per month	12 months	550

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Purchase of Receivables

A purchase of receivables is when a lender buys your future revenue from sales at a discount and you pay them back over a fixed period of time with fixed daily or weekly payments. In most cases the payments can fluctuate with your revenue so decreased sales means lower payments.

Purchase of receivables are best for business owners who need working capital for any number of reasons and want the flexibility to lower payments if their revenue decreases.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$1M	1-5 years	Starting at 12%	\$20K per month	12 months	600

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Accounts Receivable Line of Credit

Similar to a standard line of credit, an accounts receivable line of credit provided the business with a maximum amount that can be drawn from when needed. Outstanding invoices or groups of invoices can be submitted to be paid up front by the lender and then paid back over time.

Accounts receivable lines of credit are best for business owners who have slower paying business clients and want the flexibility to access funds when they need them and pay them back as they get paid.

Amount	Term	Rates	Min Facility Size	Min Time in Business	Minimum FICO
\$10K to over \$1M	1-5 years	0.5 - 3%	\$50k	6 months	500

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SBA Loan

SBA loans are government-guaranteed term loans. The guarantee allows the SBA approved lenders to offer low-interest rate loans to business owners who might not qualify for a traditional bank loan.

SBA loans are best for business owners who have a specific business use case in mind, have a strong financial standing and track record, and have the time to wait and go through the longer process.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$5K to over \$5M	5-25 years	starting at 7.75%	\$10k per month	24 months	640

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Bank Loan

A bank loan is the most traditional and simple loan that can be used for a wide variety of business use cases. They have lower rates and long pay back terms but generally require a lot of paperwork and time spent at a bank branch.

Bank loans are best for business owners that have been operational for many years, have steady and predictable revenue from a stable industry, and don't mind putting in a lot of time and effort to wait for the low rates.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$1M	1 - 10 years	7% - 20%	\$10k per month	6 months	600

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Bank Line of Credit

A bank line of credit is essentially the same as a standard line of credit allowing the business to draw from their pre-determined limit when they need it and only pay interest on that amount until it's paid back.

Bank lines of credit are best for business owners who meet the requirements for a bank loan but want the flexibility of a line of credit to only access funds when they need them from month to month.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$1M	1 - 5 years	7% - 20%	\$10k per month	6 months	600

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Ecommerce Marketplace Financing

Businesses that primarily sell their product on marketplaces like Shopify, Amazon, or BigCommerce can use ecommerce marketplace financing by connecting all of their marketplaces to the lenders platform. Based on sales history, they can access funds up front to purchase inventory or run marketing campaigns to drive more sales through those platforms.

Ecommerce marketplace financing is best for ecommerce sellers that want to leverage their sales to continue to grow.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$500k	3 - 24 months	7% - 30%	\$10k per month	6 months	500

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Commercial Real Estate Loan

Businesses that want to expand into a new location or acquire their first building can use a commercial real estate loan to do so and keep available cash for other business purposes.

Commercial Real Estate Loans are best for business owners that have well established businesses that are in good credit and financial standing.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$100K to over \$15M	5 - 30 years	5% - 12%	\$10k per month	6 months	600

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Ad Financing

Businesses that do a lot of social media advertising as part of their core business can use ad financing to directly fund their facebook or other social media ad account and pay back the amount over time like a traditional loan.

Ad financing is best for business owners that want to use funds specifically for advertising their goods or services on social media platforms by directly funding those accounts.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$500K	3 - 24 months	7% - 30%	\$10k per month	6 months	550

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Inventory Purchase Financing

Businesses who have a lot of costs associated with purchasing inventory can finance the purchase of that inventory and pay back the amount over time as they sell that inventory.

Inventory purchase financing is best for business owners that have large inventory requirements which take a while to turn into sales and revenue. It can be used to purchase large amounts of inventory when needed like during a busy season.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to \$1M	3 - 24 months	7% - 30%	\$10k per month	6 months	600

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Supplies/Materials Financing

Supplies financing or materials financing are a means for businesses to finance the purchase of a specific set of supplies or materials for a project generally used in construction. Like a short-term loan, the amount is paid back over a set period of time with daily/weekly payments.

Supplies/materials financing is best for construction businesses working on a project that requires a lot of materials to be purchased up front for which they won't be repaid for a month or more.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$5K to \$500K	30 - 120 days	2% - 10%	\$41k per month	1 month	600

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Startup Credit Cards

Growing businesses can use startup credit card to pay for all the little things they need to keep growing. Just like a normal credit card, it can be used online, for software subscriptions, or any other use case and accrues interest on the monthly balance.

Startup credit cards are best for business owners that want a savvy way to hold onto their available cash and have the flexibility to have access to funds when they need them.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$1M	1 - 5 years	7% - 30%	\$10k per month	6 months	600

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Equipment Financing

With equipment financing, the lender will provide you the cash you need to purchase a piece of equipment for your business. You then pay back the total amount, plus the interest, over a set period of time.

Equipment financing is best for business owners who have a specific piece of equipment they want to purchase and spread the cost out over time.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
up to 100% of value	expected life of equip	8% - 30%	\$10k per month	1 month	600

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Merchant Cash Advance

Businesses that sell their goods or services through a point-of-sale system, like restaurants or ecommerce stores, can receive a merchant cash advance that is paid back as a percentage of daily credit card transactions.

Merchant cash advances are best for businesses that need some upfront capital to invest in their business and want the flexibility to pay back over time on a percentage of revenue basis.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$2.5K to \$500K	3 - 18 months	1.14 - 1.35 factor rate	\$5k per month	6 months	500

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Invoice Factoring

Invoice factoring lets you sell your outstanding invoices to a lender who will pay you a portion of the amount up front (usually around 80-90%). The remaining percentage is held until the invoice is paid by your customer and a fee is deducted.

Invoice factoring is best for business owners who have slow paying clients of long net payment terms and they need to improve cashflow to operate their business.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$1M	1 - 5 years	0.5% - 3%/month	\$5k per month	6 months	450

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Real Estate Backed Financing

Businesses with real estate assets can use them as collateral to get better rates and terms for lump sum loans that they can invest back into their businesses.

Real estate backed financing is best for business owners that have real estate owned by the business and want to leverage it to access funds at better rates and terms.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$1M	1 - 5 years	7% - 30%	\$10k per month	6 months	600

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Vehicle Backed Financing

Businesses with vehicles owned by the business can use them as collateral to get better rates and terms for lump sum loans that they can invest back into their businesses.

Vehicle backed financing is best for business owners that have vehicles owned by the business and want to leverage them to access funds at better rates and terms.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$1M	1 - 5 years	7% - 30%	\$10k per month	6 months	600

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Heavy Equipment Backed Financing

Businesses that own heavy equipment can use them as collateral to get better rates and terms for lump sum loans that they can invest back into their businesses.

Heavy equipment backed financing is best for business owners that have heavy equipment owned by the business and want to leverage it to access funds at better rates and terms.

Amount	Term	Rates	Min Revenue	Min Time in Business	Minimum FICO
\$10K to over \$1M	1 - 5 years	7% - 30%	\$20k per month	24 months	600

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