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5 alternatives to borrowing from banks

On Deck Capital

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This New York-based startup, funded in part by Khosla Ventures, says it lends money to Main Street businesses that can't obtain loans from traditional banks. How? By using software to evaluate a borrower's cash flow (instead of just its credit history) and automatically deducting small, daily amounts of money from a company's account to pay back the loan. On Deck says it has already distributed \$20 million in loans to nearly 500 small businesses. Short-term loans are paid back within a year at interest rates ranging from 18% to 36%.



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