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The small business loan industry is changing. These days the economic situation in the United States has had a serious impact on the way small businesses function along with how they find funding. The small business loan industry was once dominated by commercial bank loans and credit unions, which have always been the traditional source of funding. Today these sources for small business loans have dried up to a large extent as they cut back on their commercial loans programs to cope with the credit crunch and the burst in the housing market.

So where does this leave our small business owners? For many it means difficulty in finding funds. Bank loans have always been difficult especially for business owners without great credit scores or any liabilities. Today the restrictions are even stricter, calling for qualifications that many business owners cannot hope to fulfill. So what are these businesses to do? Close their doors or put off improvements and expansions indefinitely? There is almost no small business, which can afford to open a new location or conduct major renovations without some sort of additional funding from an outside source. Instead of stagnating with the economy how are these business owners to make it when the banks shut their doors to them?

For this reason, the small business loan industry has begun to change to accommodate the higher demand for alternative loans. Many businesses have begun to look at grants or industry competitions as a way to fund their businesses or get start up capital. These can be timely processes and often there are many more applicants than funds available. For others in search it means to turn to providers of merchant cash advances or unsecured small business loans.

Not long ago these types of funding were reserved for the service industry and others who couldnâ€™t qualify for a bank loan. Now that more and more businesses in many industries are finding themselves in the same position, these merchants are turning to these business loan alternatives. Any business that accepts credit cards as a form of payment is eligible for a merchant cash advance and unsecured small business loans. The reason many merchants prefer this form of funding is because they are able to pay back the funds as money comes in. The funds are taken directly from the credit card sales leaving the merchants free of the responsibility of remembering to mail in payments or to worry about arbitrary deadlines, which have no correlation to the amount of revenue they are bringing in.

For many merchants, learning more about merchant cash advances and unsecured small business loans can help them make a decision based on their better understanding for the system. On top of that, it may help them feel better about the state of the small business loan industry when they find that they are not alone and there are still providers out there who are interested in helping them with funds for their businesses.

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