Business Loans

The 3 business loans that my salon could have is Equipment Financing, Short Term Loan, and a Conventional Loan. The Equipment Financing can finance up to 100% of new equipment. It has limited paperwork, helps all types and sizes of commercial businesses in the United States to acquire the equipment they need to conduct their business operations. The downside to this loan is that the equipment may be obsolete by the time it is fully paid. The Short Term Loan is the second loan that I would pick for my salon, if the first one didn’t work out, because instead of requiring monthly payments, the loan is due, in full, at the end of the agreed-upon term.

This loan is often used for shorter term needs, like to build up inventory, raise cash for accounts payable, or complete small projects that yield quick returns and are usually below $100,000. It has a shorter repayment period, can be approved quickly, gives businesses flexibility, can help improve your credit score, and it is good if you’re looking to grow your business. The loan that I thought could work for my salon, is the Conventional Loan. They typically offer flexible terms and pricing for hair salons and spa service businesses, and lending institutions are able to give even lower pricing based on the strength of the loan request. Conventional Loans are arranged through traditional banks and even some non-banking lenders.

I picked the Conventional Loan because it is specifically for salons and small businesses that are growing.