

Lendio Closes \$55M Series E Funding Round Led by Mercato Partners

Investment fuels development of next-generation loan marketplace, expansion of bookkeeping and lender services divisions

Lehi, Utah – Feb. 27, 2020 – [Lendio](#), the nation’s largest marketplace for small business loans, today announced it has secured \$55 million in capital, including \$31 million in equity led by Mercato Partners’ Traverse Fund and a \$24 million debt facility from Signature Bank. The equity round was oversubscribed by existing investors including Napier Park Financial Partners, Comcast Ventures, Blumberg Capital, Stereo Capital, and Runa Capital. The funding enables Lendio to increase the scope and precision of its loan marketplace while expanding new bookkeeping and lender services functions.

“Lendio’s success is driven by its ability to combine data analytics with the human touch to match small businesses quickly and precisely with ideal lending partners,” said Ryan Sanders, director at Mercato Partners Traverse Fund. “Lendio uniquely solves the problem of inefficient capital for small businesses by bridging lenders and borrowers. They are able to connect both sides and facilitate loans faster and more effectively between small business owners and lending institutions. Lendio’s impressive growth is a result of its technology-backed personalized service which has created a loyal and growing following in the industry.”

Over the past two years, Lendio’s year-over-year growth rate has averaged 75%. The company has grown to be the largest small business financing marketplace in the United States—facilitating more than 100,000 loans totaling over \$2 billion—through a combination of leading technology, data science, and personalized expert guidance. To apply, small business owners complete a 15-minute online loan application that is processed by Lendio’s machine learning algorithms and matched with a pool of suitable lenders. Lendio’s team of loan experts reviews these options with the business owners and facilitates a loan that works best for both the entrepreneur and the lender—often within 24 hours.

“This \$55 million round is a significant milestone in Lendio’s mission to fuel the American dream as a financial matchmaker that brings high-tech, high-touch capital to the small business economy,” said Brock Blake, CEO, and co-founder of Lendio. “With these funds, we are strongly positioned to grow our existing platform as a trusted loan facilitator that supports both lenders and borrowers, while building out a range of new integrated lending services that get the right loans into the right hands at the right time. We are grateful for the continued support and trust of our investors who believe in our growth strategy.”

Fueled by this access to capital, Lendio’s small business clients have generated an estimated \$6.5 billion in economic output and created nearly 45,000 jobs in communities nationwide. Meanwhile, this high-tech marketplace has enabled strategic partnerships between Lendio and market leaders including American Express, Heartland Payment Systems, PayPal, LendingClub, Kabbage, NerdWallet, Comcast Business, Staples and Funding Circle.

The investment enables Lendio to expand its online bookkeeping platform, [Sunrise by Lendio](#). Hundreds of small business owners now leverage Sunrise to manage their cash flow and visualize their financial health. By further integrating its Sunrise bookkeeping and loan marketplace platforms, Lendio will be able to proactively meet the capital needs of this growing number of business owners.

Additionally, Lendio will tap the funding for enhancements across its lender services division. Based on a software-as-a-service (SaaS) partnership model, the lender services division provides banks, credit unions, and online lenders access to a custom, white-labeled online application that allows the financial institution to accept loan applications online. In addition, lenders are now outsourcing the customer-facing sales function to Lendio, harnessing Lendio's knowledge of loan products and small business needs, as well as its ability to increase customer conversion rates.

About Lendio

Lendio is a free online marketplace that leverages machine learning to help business owners find the right small business loans within minutes. With a network of over 75 lenders offering multiple loan products and over 100,000 small business loans funded, Lendio's marketplace is the largest in the country and the center of small business lending. Based in the Silicon Slopes of Lehi, Utah, Lendio was recently recognized by Glassdoor [as one of the Top 50 Workplaces](#) and has been certified for three years running as a great workplace by the independent analysts at [Great Place to Work®](#). In addition, Lendio ranks on *Fortune's* [Best Workplaces in Financial Services & Insurance](#) and *Inc.'s* [Best Workplaces](#). For every new loan facilitated on Lendio's marketplace platform, Lendio Gives, an employee contribution and employer matching program provides a microloan to a low-income entrepreneur around the world through [Kiva.org](#). More information about Lendio is available at [www.lendio.com](#). Information about Lendio franchising opportunities can be found at [www.lendio.com/franchise](#).

About Mercato Partners

Mercato Partners is a multi-practice equity investor in the technology and branded consumer sectors. Mercato's Traverse Fund focuses on growth-stage companies seeking to expand on initial commercial success by accelerating the creation of enterprise value. The Traverse Fund's dedicated performance team has unique capabilities in sales, marketing, and human capital, making the firm a skilled and collaborative partner in uncovering opportunities and driving growth. For more information about Mercato Partners, the Traverse Funds, and the portfolio companies, visit [www.mercatopartners.com](#).