

Payday Loans Online, Fast Cash Loans \$300, \$500, \$1000 – Payday Depot

Unexpected financial emergencies can be unsettling, but they don't have to ruin your week. Thanks to the quick and easy funding of [instant payday loans](#), you may even be able to solve your financial crisis on your lunch break. Payday loans are helpful solutions for borrowers with less-than-perfect credit or those who don't want to jump through the hoops of a traditional bank loan, but before you get a payday loan, you should read on for an in-depth review of how these loans work and whether they are right for your situation.

What are Payday Loans?

Payday loans are small principal, high-interest loans that are typically due to be repaid within a few weeks. These loans are structured for people who need quick, easy cash to hold them over "until payday". Payday lenders make it easy to get approved and receive your funds, but they typically charge high interest rates for the convenience and lower credit standards.

How do Payday Loans work?

Once you are approved for a payday loan, your lender will ask you to complete some basic paperwork that can usually be completed online from the convenience of your home. You'll also need to share your bank account information so you can receive your funds.

Your loan repayment terms will vary by lender and loan amount, but some payday lenders will expect the entire balance of the loan with interest repaid within 2-4 weeks. For example, if you borrowed \$300, your lender might set up an auto draft from your checking account to repay \$340 two weeks later (the original principal

plus the interest and fees). For larger loan amounts, your lender may arrange automatic payments every two weeks until the loan is repaid. In some cases, you may be able to mail in your payments, but these arrangements are the exception, not the standard.

Fees to Get Payday Loans

When shopping for payday loans, you may see several types of fees that are applied on top of the principal loan amount. Expect to pay a small application fee, especially if your lender requires a background check. Most lenders also charge origination fees, which can be a flat fee or a percentage of the requested loan amount, to cover the administration costs of processing and maintaining your loan.

Some lenders also have fees that are avoidable and only apply in certain situations. For example, if you miss a loan payment, you may be charged a late fee. Some lenders also charge pre-payment fees if you pay your loan off early, while others may charge renewal fees if you decide to renew, or take your loan out again, at the end of a payment cycle. These fees add to your overall cost of borrowing money and should be avoided whenever possible, so make sure you have a plan for repaying the loan and sticking to the repayment terms as closely as possible.

Steps to take before applying for Payday Loans

Payday loans are popular because they generally are simple to get and provide fast funding. Unfortunately, this ease of access has caused some negative stigma around payday loans, especially when borrowers don't do proper research first. To make sure this type of loan is a good fit, you should always do the following before applying:

- Choose the right type of loan – Although instant payday loans are a very specific type of financial product, some companies offer products called “payday loans” that don't truly fit the definition. For example, some companies may ask you to provide collateral to secure the loan, which puts

your personal property at risk. Know the specifics of your loan before applying.

- Consider your other options – Payday loans aren't a good fit for every borrower. If you need a short-term influx of cash to solve a financial crunch, you might also consider options like getting a second job, using credit cards, or borrowing from a friend or family member.
- Check the lender's requirements – Each lender has different requirements for proof of income, credit scores, loan amounts, and repayment terms. Before applying with a lender, be sure its requirements can meet your loan needs.
- Understand your state laws – Each state's Attorney General has the authority to place limitations and regulations on payday lending or outlaw it entirely. These laws work to prevent predatory lending practices that take advantage of low-income families, and payday lenders must abide by them. Educate yourself on these laws and verify that your lender complies with any applicable state statutes.

Basic Requirements for Getting an Online Loan

Instant payday loans are regulated at the state level, so lenders must follow the guidelines of the states in which they operate. For this reason, requirements to get a payday loan will vary from lender to lender and state to state. In general, however, lenders require several basic things to qualify for a loan:

- Age – In order to be legally bound by the payday loan contract, the borrower must be at least 18 years of age.
- Active checking account (Credit Score) – Many payday lenders don't deal in cash or issue checks for your initial loan proceeds – they will want to direct deposit your funds into your active checking account. Many lenders also require your loan repayments to be auto drafted from the same account.
- Proof of income – Income requirements will vary by location, but lenders want to see documents proof that you can repay the loan when it's due. While this doesn't need to be income from a traditional job, it does need to be recurring, consistent income.

- Address, phone number and an email – If you fail to make your payments on time, your lender will want to know how to contact you. You'll need to provide a stable home address, contact phone number, and email address. Many lenders will also ask for contact information for references as well.

Reasons why you might have been rejected

Although the requirements on payday loans are more relaxed than with other loans, lenders still deny loan applications if they feel the risk of default on the loan is too high. If your application is declined, it may be because:

- You are not employed or your income is too low – If your income isn't enough to cover basic living expenses and make your loan payments, lenders may deny your application for fear that they won't recoup the loan.
- You already have a payday loan or recently borrowed one – Each state has different limitations, but most states limit borrowers to a single payday loan outstanding. In states where multiple payday loans are allowed, borrowers are typically limited to \$500 – \$1,000 in loans at any given time.
- You have too many current debts – Since lenders don't look heavily at your credit scores, they will likely look at your current debts to gauge your ability to repay. If you have too many current debts with too little income (also referred to as your debt-to-income ratio), lenders may not be willing to take that risk.

How to Get a Payday Loan Online

Once you have decided that an instant payday loan is the best solution to your financial problem, you can often complete the application process immediately and receive funding the next day. To get a payday loan, take the following steps:

- Fill out the Loan Application Form – Many reputable payday lenders offer a simple loan application that can be completed online at your convenience. Have your income documentation and identifying information ready to make the application process as seamless as possible.

- Receive and Compare Offers – There are many payday lenders, and you aren't obligated to accept a loan even if you are approved. When shopping with a loan matching service like Payday Depot, you may receive multiple offers from different banks. Compare these offers based on interest rates, loan amounts, and repayment terms and select the offer that best meets your needs.
- Sign the Agreement – Once you have selected the best offer, you'll need to submit any final documentation, provide your bank account information, and sign the loan agreements. Often this can be done online through a secure web portal without the need for going into a physical office.
- Get Your Money – Most lenders will direct deposit your funds into your bank account within 24 hours. As part of your application process, ask your lender for an estimated timetable. Some lenders have same-day depositing, while others may take 2-3 business days, depending on their policies.

The Pros and Cons of Payday Loans

Payday loans can help you meet your short-term financial needs, but you should still carefully weigh the pros and cons before choosing this financing option.

Pros

- Simple application process – Traditional bank loans can take several days or even weeks to complete the entire application process and submit all your documents. Payday loan applications can often be completed in under an hour, and many lenders have convenient online applications.
- Fast funding – Once approved, you will typically receive your funds in 1-2 business days.
- Low or no credit check requirements – Some lenders won't run your credit at all, and those who do will typically run a "soft pull" that doesn't hurt your credit. Those with poor credit scores can still qualify as long as there

are no major issues, such as a recent bankruptcy or defaulted payday loan with another company.

Cons

- High interest rates – With interest rates in the triple digits, your loan can accumulate a lot of interest in a short amount of time. To avoid getting stuck in a cycle of renewing payday loans just to pay your routine bills, be sure you can repay the loan on time out of your next paycheck.
- Short repayment terms – Unlike auto or home loans that are structured to be repaid over several years, you should plan to repay your payday loan within a few weeks to minimize fees and interest charges.