

YELO Funding announces \$1.2 million in pre-seed funding

Company launching socially responsible and equitable alternative financing platform for college tuition

NEW YORK, NEW YORK, USA, April 20, 2023 /EINPresswire.com/ -- YELO Funding Inc., a New York-based fintech startup that aims to close the funding gap in higher education by providing students with a student-centric college financing solution, announced that it

has raised \$1.2 million in a pre-seed round. The funding will be used to launch the company's operations in select markets and provide financing for students' college tuition, room and board.



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*Daniel Rubin, Founder & CEO
of YELO Funding*

YELO's approach to financing college education is relatively new in the higher education space. Rather than offering private loans that can carry high interest rates, with repayment terms that can extend as many as 25 years or more, the company finances student tuition using a financial instrument known as an Income Share Agreement (ISA). As an alternative to traditional student loan, an ISA is a contract for a fixed percentage share of a student's future salary that offers more advantageous terms than traditional options and is meant to alleviate the long-term

burden of debt.

“The current debt burden on students' lives is unsustainable and higher education financing is now ripe for disruption,” said Daniel Rubin, founder and CEO of YELO Funding. “YELO aims to bridge the gap when lower-cost federal programs and scholarships are just not enough. We are investing in the next generation of students and we have skin in the game. College education has unfortunately become a luxury product but in 2023, it shouldn't be a privilege to get an education, it should be a right. YELO makes access to education more equitable and helps students evaluate the career outcomes of degree programs, giving graduates a clear path to

financial success, and of course the means to repay.”

YELO offers funding to students for programs that have historically been of high quality. By focusing on the program, YELO's ISA is a socially responsible alternative to student loans that benefits students from all backgrounds. ISA payments are tied to earnings rather than to a fixed principal amount. They are limited in time and capped at a maximum dollar amount. YELO's offering provides students with a flexible and affordable financing repayment schedule directly aligned with their employment status during the years after graduation.

With the nation's [student debt now totaling \\$1.75 trillion](#), YELO is on a mission to support as many students and families as possible. [College tuition has soared more than 1,175% since 1980](#), according to the US Bureau of Labor Statistics. Many graduates and their families struggle to cover the high cost of financing from their current salary. In a [Bankrate survey](#), 59% of adults with student loan debt said they have delayed important milestones, such as marrying, having children and purchasing a car or a home – with a larger impact on younger borrowers.

About YELO Funding

YELO's mission is to provide college financing that is more equitable and better suited for students' needs as compared to traditional private loans and Parent Plus loans. YELO offers a socially responsible solution that aims to close the funding gap in higher education, reduces loan repayment, improves access to education, and helps students choose degree programs with favorable career outcomes.

Please visit www.yelofunding.com for more information.

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