

# Peer-to-Peer Lending (P2P Lending)

[Return to Glossary](#)

**Peer-to-Peer Lending (P2P Lending)** lending enables individuals to obtain loans directly from other individuals, cutting out the financial institution as the middleman. Websites that facilitate P2P lending have greatly increased its adoption as an alternative method of financing.

**P2P Lending** is also known as “social lending” or “crowdlending.” It has only existed since 2005, but the crowd of competitors already includes: [Prosper](#), [Lending Club](#), [Upstart](#), and [StreetShares](#).

- **P2P Lending** websites connect borrowers directly to investors. The site sets the rates and terms and enables the transactions.
- **P2P Lenders** are individual investors who want to get a better return on their cash savings than bank savings accounts or CDs offer.
- **P2P Borrowers** seek an alternative to traditional banks or a better rate than banks offer.

Source: <https://www.investopedia.com/terms/p/peer-to-peer-lending.asp>

From:

<https://www.omgwiki.org/dido/> - **DIDO Wiki**

Permanent link:

[https://www.omgwiki.org/dido/doku.php?id=dido:public:ra:xapend:xapend.a\\_glossary:p:p2p\\_lending](https://www.omgwiki.org/dido/doku.php?id=dido:public:ra:xapend:xapend.a_glossary:p:p2p_lending)

Last update: **2022/04/14 14:48**

