

PowerPay Secures \$300 Million Financing to Expand Consumer Lending Platform

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PENNSYLVANIA – Fintech company PowerPay has secured a \$300 million financing partnership with Synovus Bank and Nearwater Capital to expand its consumer lending operations, particularly in the home improvement and medical services sectors.

The financing package combines warehouse lending facilities from Georgia-based Synovus Bank and risk retention financing from New York’s Nearwater Capital. Together, these facilities will support PowerPay’s growing asset-backed securities program and increase its ability to process consumer loans at scale.

PowerPay, headquartered in Pennsylvania, provides point-of-sale financing solutions that allow contractors and healthcare providers to offer customers payment plans at the time of service. The company currently partners with more than 12,000 contractors and medical professionals nationwide.

The fintech expects to process nearly \$5 billion in loan originations in 2025, building on its existing momentum. PowerPay has already secured three new partnerships with national

home improvement firms projected to generate an additional \$800 million in annual originations. While the companies involved have not yet been disclosed, the partnerships mark a significant expansion into the competitive home improvement finance sector.

PowerPay competes with established players such as Synchrony Financial and GreenSky, the latter acquired by Goldman Sachs in 2021 for \$2.2 billion. CEO and founder Mike Petrakis said the new funding validates PowerPay's business model and technology platform.

"These new commitments are a strong validation of our company's performance, credit quality, and operational rigor," Petrakis stated.

PowerPay's artificial intelligence platform processes loan applications in real time, assessing borrowers' creditworthiness with data beyond traditional FICO scores. This includes employment history, bank activity, and payment behavior. By embedding financing directly into contractors' and medical providers' point-of-sale systems, PowerPay aims to streamline lending and improve access to financing for customers who may not qualify for traditional bank loans.

Nearwater Capital's participation ensures compliance with post-2008 regulatory requirements for securitization sponsors. These rules mandate that issuers retain at least 5% of the credit risk in asset-backed securities, a safeguard designed to strengthen market stability.

Meanwhile, Synovus Bank's warehouse lending facility gives PowerPay added flexibility to fund loans between origination and securitization, providing crucial liquidity for expansion.

Point-of-sale financing has rapidly expanded over the past five years, moving beyond traditional retail into sectors such as healthcare and home improvement. Consumers increasingly turn to such financing as rising interest rates and tight bank lending standards limit access to conventional personal loans and refinancing.

"The additional capital is instrumental to our growth strategy and will allow us to meet the surging demand for our point-of-sale financing solutions as we further expand our securitization program," Petrakis said.