

Alternative investment platform Yieldstreet raises \$100M mega-round

Article

The US-based fintech raised the Series C funding for its alternative investment platform, per [TechCrunch](#). YieldStreet gives users access to alternative investments like real estate, art

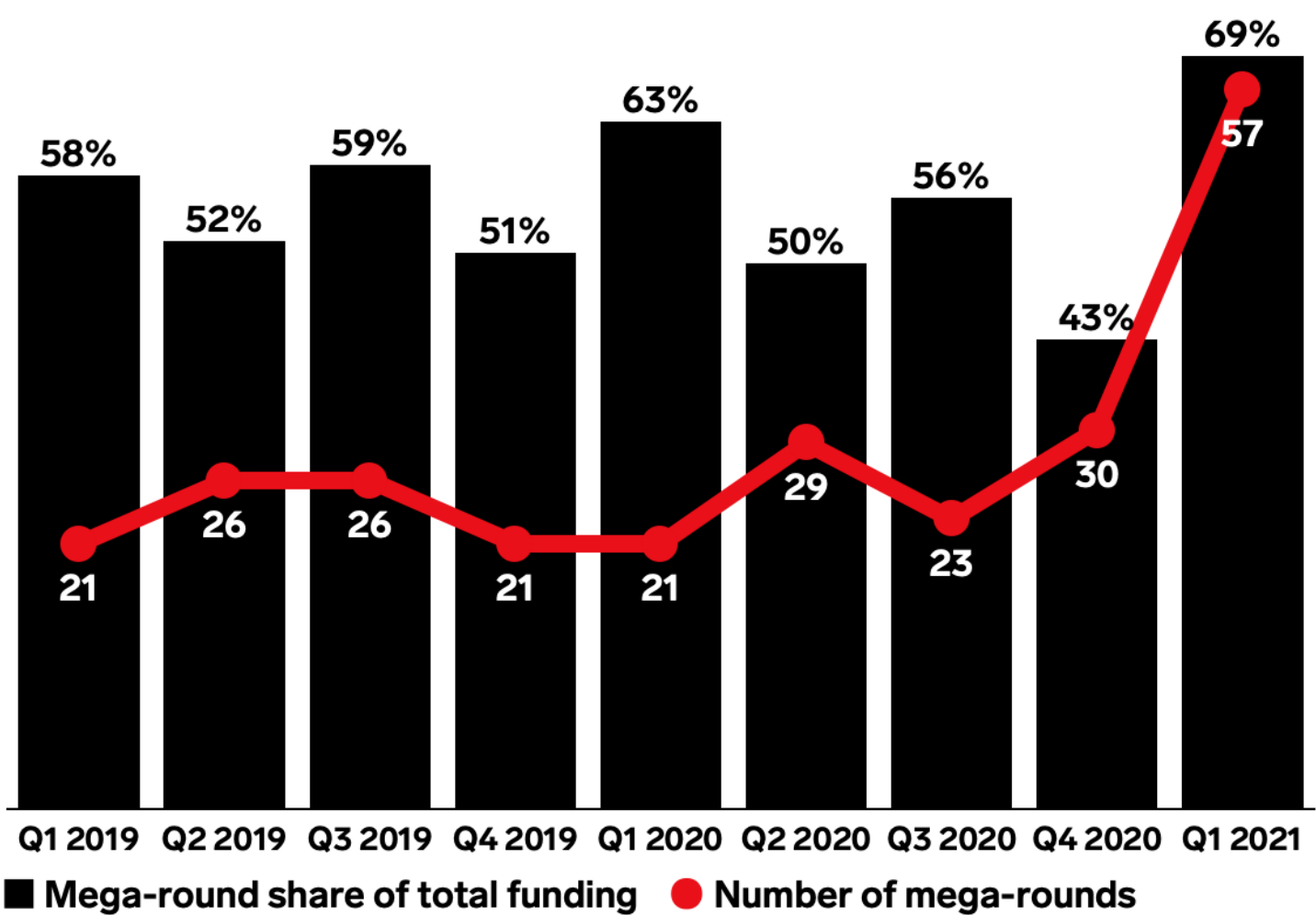
finance, and marine finance. It also has a [service](#) that lets users raise capital. The fintech will use the fresh funding to develop new investment products, expand internationally into Europe and Asia, and pursue strategic acquisitions. It's also exploring potentially going public via a SPAC in the next few years and has already been approached by a few companies.

Yieldstreet's services give retail investors access to a wider range of assets, which is why the platform has seen strong growth in recent years.

- **Yieldstreet makes investment options available to retail investors that were typically reserved for high-net-worth individuals and institutions.** Investments in alternative assets are often expensive and therefore not readily available to retail investors. But Yieldstreet offers fractionalized share ownership, which lets investors access assets at a lower entry price.
- **This led to significant platform growth since 2019 that has continued this year.** The fintech has funded almost \$1.9 billion on its platform and has about 300,000 customers, up from \$600 million and 100,000 users in February 2019. Yieldstreet also expects more than 50% revenue growth this year compared with 2020—both the number of investment requests and new investors from January to April 2021 surged by more than 250% compared with the same period in 2020.

Yieldstreet shows another way in which fintechs are democratizing investments and could present a roadmap for other platforms to diversify. Fintechs like [Robinhood](#) and [eToro](#) have worked to make stocks available to retail investors, who now [account](#) for one-fifth of equity volumes, up from one-tenth a decade ago. But democratizing investments doesn't end with the stock market, and alternative investments are another fruitful way for investors to earn passive income. Global alternative assets under management reached \$10 trillion in June 2019 and are on track to exceed \$14 trillion by 2023, [per](#) a Preqin forecast. (These numbers might be conservative, as they were made before the recent [crypto boom](#).) And while Yieldstreet has carved a niche for itself by focusing on alternative assets, other investment fintechs may soon follow into the space to differentiate their stock trading platforms, much like they've done with adding [crypto](#) investments over the last few years.

Global VC-Backed Fintech Mega-Round (\$100M+) Funding Trends



Source: CB Insights, "State of Fintech Q1 2021 Report: Investment & Sector Trends to Watch," May 2021

Methodology: Numbers reported on a quarterly basis by CB Insights.

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