

Kiva Zip Overview

Winter, 2015

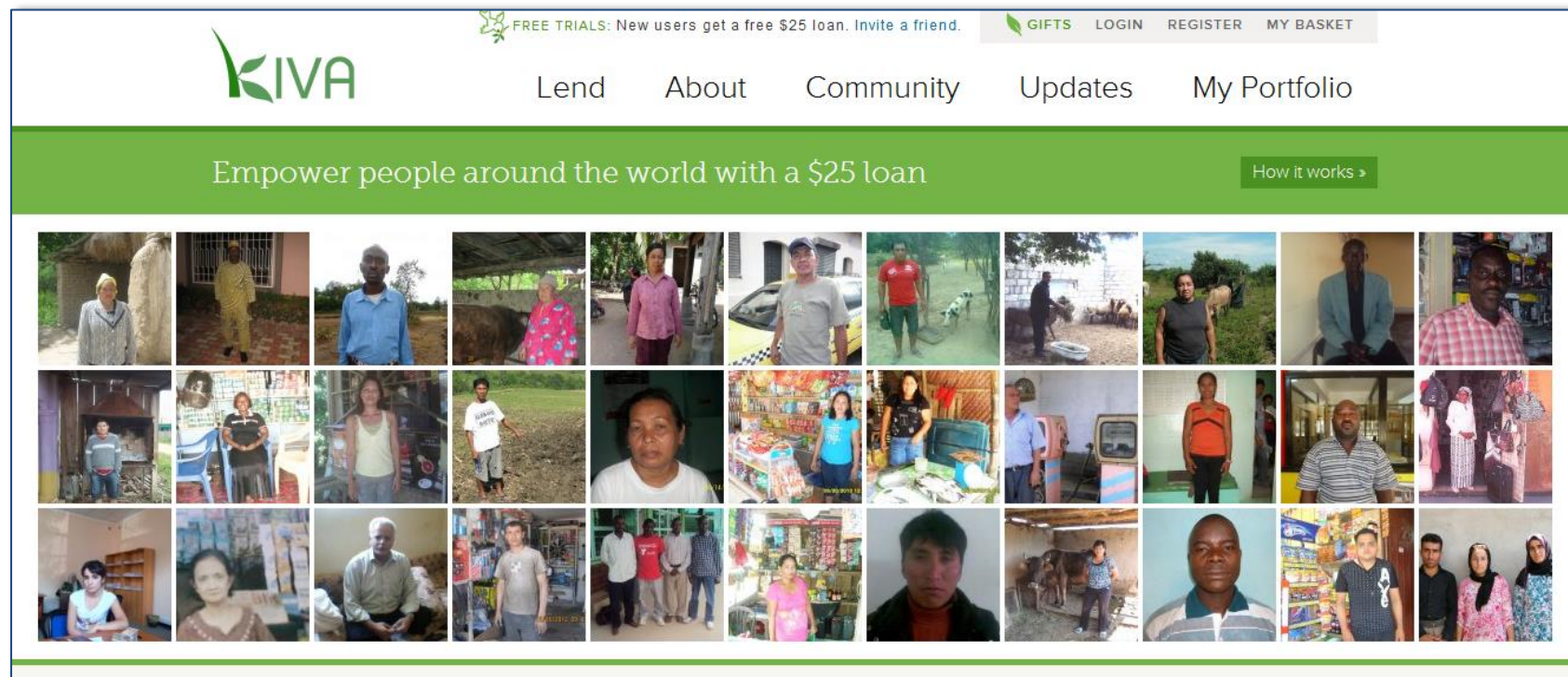


Loans that change lives

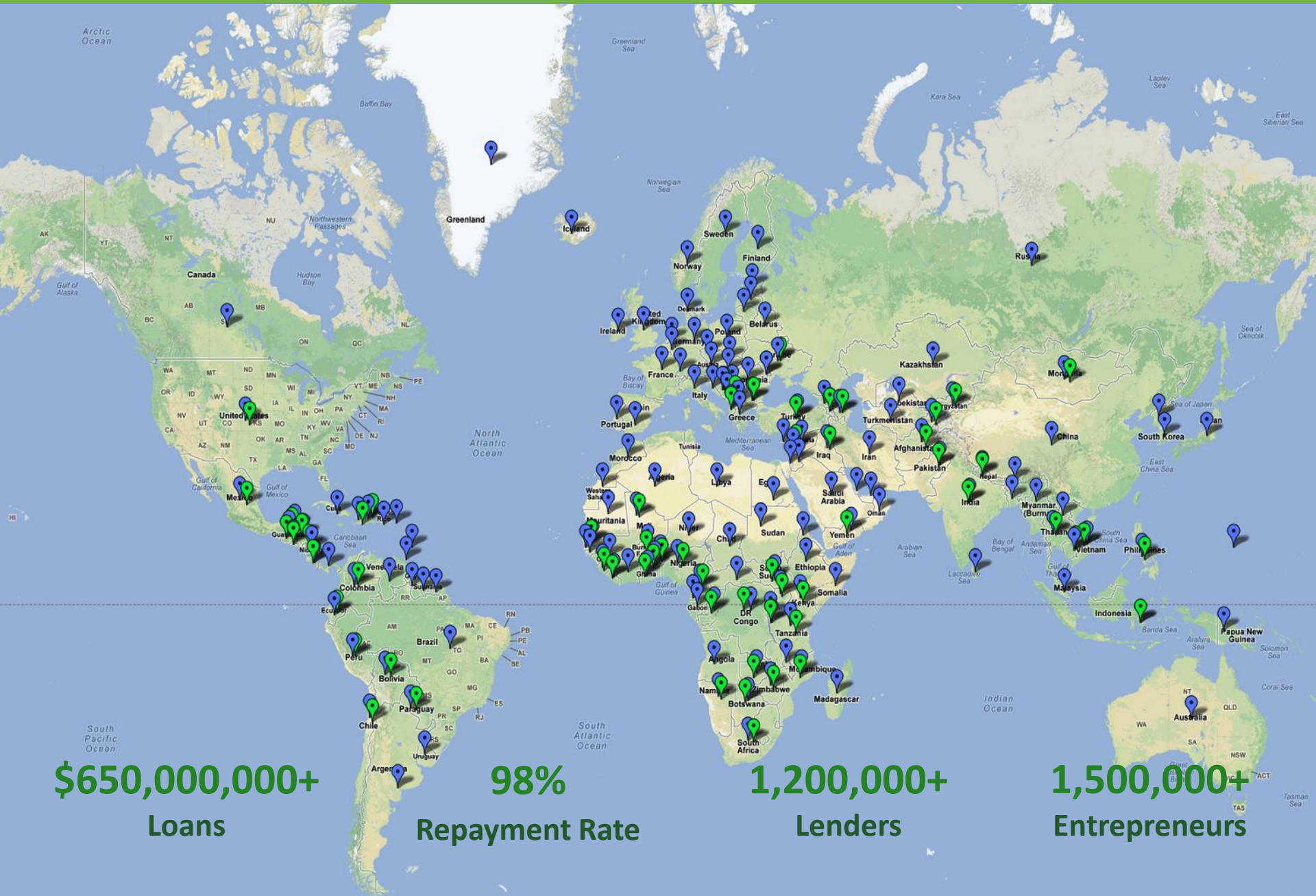


Kiva is a non-profit, based in San Francisco, that enables individual lenders to crowd-fund person-to-person loans to individual borrowers around the world.

Kiva made its first loan in Uganda in 2005, and has since made over one million loans in 75 countries.



A Brief History of Kiva



\$650,000,000+
Loans

98%
Repayment Rate

1,200,000+
Lenders

1,500,000+
Entrepreneurs



Evaluating a borrower's credit worthiness

Traditional lender	Kiva
Credit score	Character
Collateral	Relationships
Cash flow	Reputation

Kiva has a network of over 1 million lenders. When a borrower fundraises, they have exposure to thousands of potential customers, brand ambassadors, and business advisors.

Watching hundreds of lenders around the world read your story, look up your business, and invest is very encouraging and builds confidence. We believe this is essential to business success.

Melissa

Compost Crusader LLC

Milwaukee, WI

OVERVIEW

ENDORSEMENT

REPAYMENTS

LENDERS 69

CONVERSATIONS 13




Personal Story

I grew up in a struggling middle class family in Des Plaines, IL. For about 6 months in high school we lived with my grandparents. My grandpa first made me aware of composting and shared with me the importance of recycling organic material because of the benefit it gave to his garden. I graduated a semester early from high school, with honors, and moved out when I was 17 to live in my first apartment in the mighty city of Chicago.

While I was not an avid composter then, I would take eggshells and stick them into my house


- **For business purposes only**
- **Small size:**
 - First loans up to \$5k
 - Agriculture loans up to \$10k
- **0% interest**, and no fees
- Up to 24 months term (\$5k)
- Up to 36 months term (\$10k)
- **Grace periods** available for startups and agriculture businesses
- Regular weekly or monthly repayment installments administered electronically via **PayPal**
- Posted and **crowdfunded** from our online community of 40,000 lenders



PAYING BACK

A loan of \$2,000 helps me to purchase a new computer & new parts and labor for my service truck.

61% repaid

Disbursement Type:  PayPal

Interest Rate: 0%

Repayment Term: 18 months
18 monthly payments



Purchase inventory

Pay for legal fees

Improve their technology

Invest in equipment

Purchase vehicles

Upgrade their websites

Expand product lines

Hire staff and help

Market and advertise

We require that all borrowers on Kiva Zip:

- Be over the age of 18
- Have a PayPal account or have the ability to set one up
- Are not *currently* be in bankruptcy or foreclosure.

Borrowers that meet these criteria qualify for a Kiva Zip loan.

We believe in evaluating an entrepreneur's network to evaluate "credit worthiness". We make decisions less based on conventional financial metrics, and more based on a borrower's demonstrated social network.



1) Trustee Endorsement

You must be endorsed by a Trustee in order to qualify for the Kiva Zip program. A Trustee is meant to add credibility to you as you fundraise on our website, by vouching for your character and your business.

2) Inviting lenders

We require most borrowers to invite lenders to the Kiva Zip platform before you're able to take advantage of our crowd of lenders. We view this as an important measure of your trust network and hope that these lenders keep you accountable for repaying the loan.



kivazip.org/trustees/apply

Borrowers must be endorsed by a Trustee in order to qualify for a Kiva Zip loan.

Trustees can be any individual or organization who can vouch for a borrower on a personal and professional level. We've partnered with...

- *Small Business Development Centers*
- *Economic development corporations*
- *Stores you sell your goods in*
- *Neighborhood associations*
- *Startup incubators*
- *SCORE advisors*
- *Accountants*
- *Professors*
- *Suppliers*
- *Mentors*
- *Other small businesses*
- *Shared workspaces*
- *Religious groups*
- *Student groups*
- *Non profits*

Trustees can't be family members, employees, or anyone that would financially benefit from endorsing a borrower for a Kiva Zip loan.

Trustee endorsement infers no financial or legal liability for the borrower.



- 1. African American Chamber of Commerce**
2. BizStarts Milwaukee
3. Fondy North Economic Development Corporation
- 4. Frank Giuffre (Individual)**
- 5. Latino Entrepreneurial Network of SE Wisconsin**
6. Havenwoods Economic Development Corporation
7. Hmong Chamber of Commerce
- 8. Michael Hostad (Individual)**
- 9. Milwaukee Community Business Collaborative**
- 10. Milwaukee Downtown, Business Improvement District #21**
- 11. Pinnacle Motivation Small Business Group**
12. Riverworks Development Corporation
13. SCORE Wisconsin
- 14. Wisconsin Black Chamber of Commerce**
15. Wisconsin LGBT Chamber of Commerce
- 16. Wisconsin Women's Business Initiative Corporation**



2) Inviting lenders

Most borrowers on Kiva Zip have to invite lenders from their own network to fund their loan, *before* they are able to take advantage of Kiva Zip's crowd of lenders. We view this as an important measure of the borrower's trust network, and hope these lenders keep the borrower accountable for repaying the loan.

Loan Size	Invited Lenders Required
Under \$2,500	7
Between \$2,500 and \$5,000	15
Between \$5,000 and \$7,500	20
Between \$7,500 and \$10,000	25

Invited Lenders

0 - 86%

5 - 94%

10 - 96%

15 - 98%

20 - 99.5%

25 - 100%

Total Lenders

10 - 54%

20 - 66%

50 - 84%

100 - 90%

200 - 94%

300 - 98%



Angela: That Salsa Lady Milwaukee, WI

Determined to make MKE a place where food entrepreneurs hang their hats via an international market and incubator kitchen using a closed loop system in the city center!

100% Raised



\$10,000
Loan

N/A
Left to Fund

274
Lenders

6
Comments

Endorsed by The Wisconsin Women's Business I...
2 endorsements made.



This loan is endorsed by



The Wisconsin Women's Business Initiative Corporation (WWBIC)

- 4 loans fully funded for a total \$21,000

Geraldo

Lion Press Ink
Milwaukee, WI

OVERVIEW ENDORSEMENT REPAYMENTS LENDERS 108 CONVERSATIONS 1



Steven

Bluestar Transport LLC
Milwaukee, WI

OVERVIEW ENDORSEMENT REPAYMENTS LENDERS 118 CONVERSATIONS 8

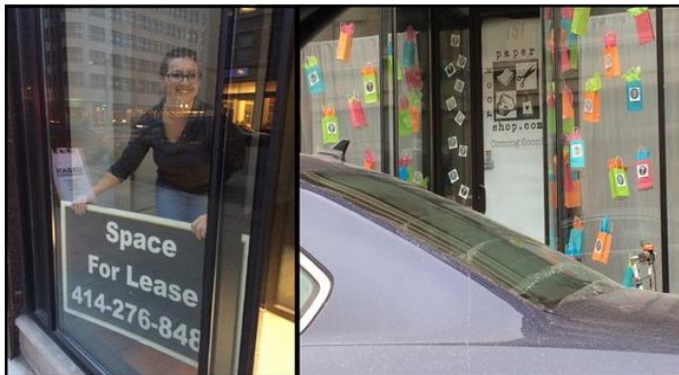


- 4 loans currently fundraising on the Kiva Zip website

Kelly

Rock Paper Scissors
Milwaukee, Wisconsin

OVERVIEW ENDORSEMENT REPAYMENTS LENDERS CONVERSATIONS



Latrisa

Nappaturalistic Beauty
Milwaukee, Wisconsin

OVERVIEW ENDORSEMENT REPAYMENTS LENDERS CONVERSATIONS



- Bringing online microfinance to cities, one community at a time through Kiva.org and Kiva Zip
- In partnership with business incubators, local non-profits and local civic groups
- Launched with Detroit in June 2011
- New participating cities based on local partner selection and interest from funders
- Kiva City Milwaukee launch February 17, 2015.



Kiva Cities Launched to Date:

- Detroit, MI
- New Orleans, LA
- Los Angeles, CA
- Washington, DC
- Little Rock, AR
- Newark, NJ
- Richmond, VA
- Pittsburgh, PA
- Louisville, KY
- Philadelphia, PA

- \$140k loan matching for all fundraising borrowers
- On the ground support with Kiva Zip Fellows
- Expedited administration of loans
- Promotional efforts for borrowers
 - Local media
 - Kiva's social media network of 1M+
 - Marketing support



WISCONSIN
WOMEN'S
BUSINESS
INITIATIVE
CORPORATION





Lend

- Support a U.S. entrepreneur with financial and social capital.
- Zip.Kiva.org/Loans

Borrow

- Access a 0% interest Kiva Zip loan to invest in your business.
- Zip.Kiva.org/Borrow

Endorse

- Become a trustee and enable an entrepreneur to access a Zip loan.
- Zip.Kiva.org/Trustees



Alpha
Kiva Zip

Gabriel Mekbib

gabriel.mekbib@fellows.kiva.org

zip.kiva.org



Loans that change lives