



kiva

Democratizing Access to Capital

 **POLLINATE**
farm & garden

kiva U.S.

Helping Small Businesses Access the First Rung of the Capital Ladder

Forbes

n p r

The Deal
The Oprah Winfrey Show

H

THE HUFFINGTON POST

THE WALL STREET JOURNAL
WSJ

DC Democrat & Chronicle
PART OF THE USA TODAY NETWORK

TechCrunch

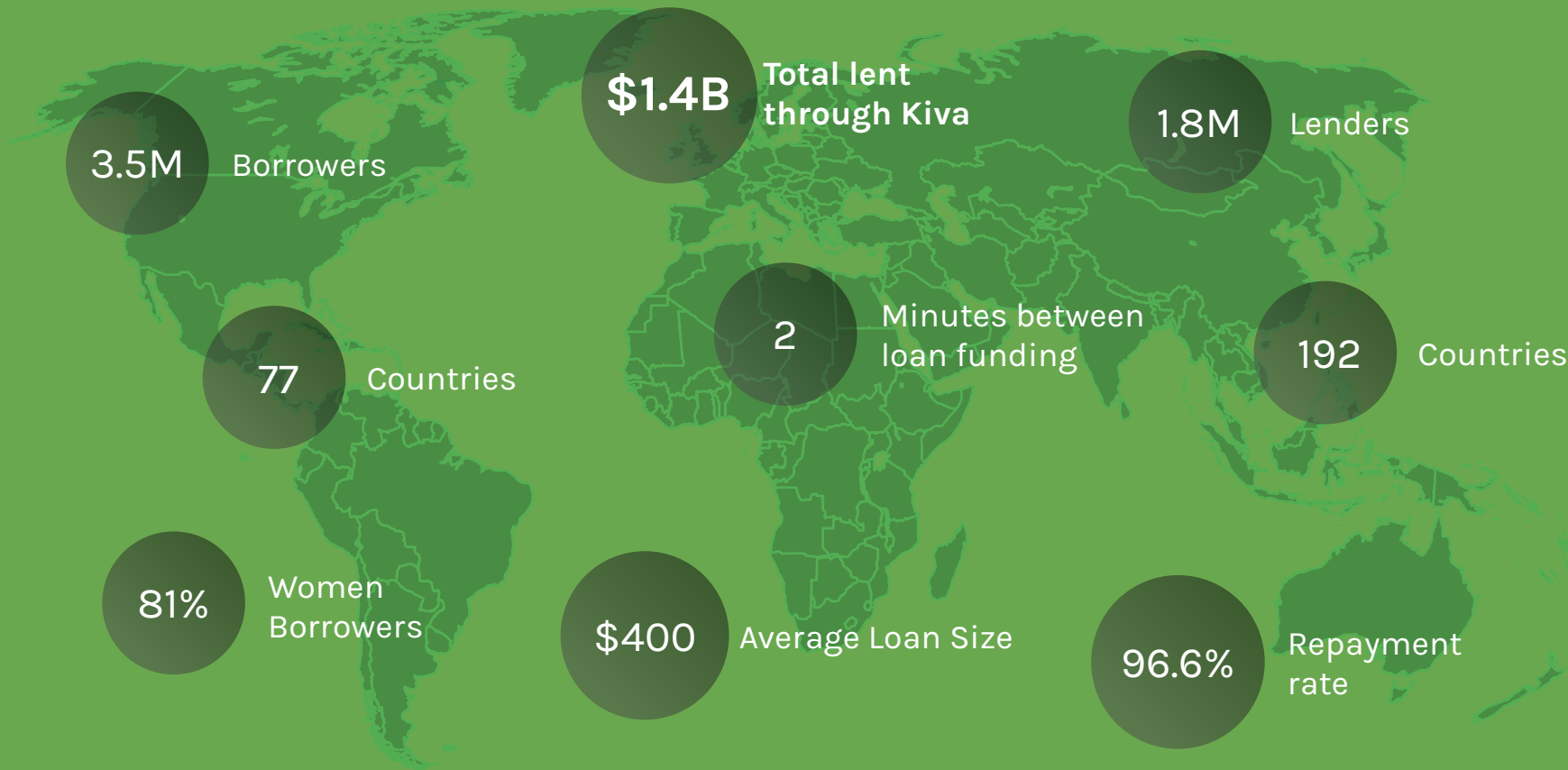
PND PHILANTHROPY NEWS DIGEST

THE BUSINESS JOURNALS
A DIVISION OF ACBJ

CrunchBase



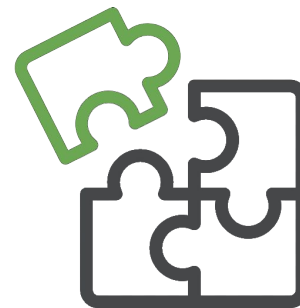
Kiva's Global Reach



Agenda

Future of Access to Capital | Small Businesses

- 1. What**
Introduction to Kiva
Impact
- 2. Why**
COVID19 & gaps in small businesses support
Financial democracy
- 3. How**
Kiva Hubs
Collaboration . Community . Capital
- 4. Where**
Case Studies
Testimonials
- 5. Impact on African American Entrepreneurs**
Data



Kiva | Crowd-Lending

People for People

\$1,000 - \$15,000

kiva

**ZERO
INTEREST.
ZERO FEES.
EXTENDED
GRACE PERIOD.**

Apply for a small business loan today at

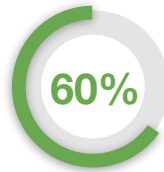
[KIVA.ORG/BORROW](https://www.kiva.org/borrow)

Kiva: First Rung of the Financial Ladder

The Missing Micro

BRIDGING THE GAP

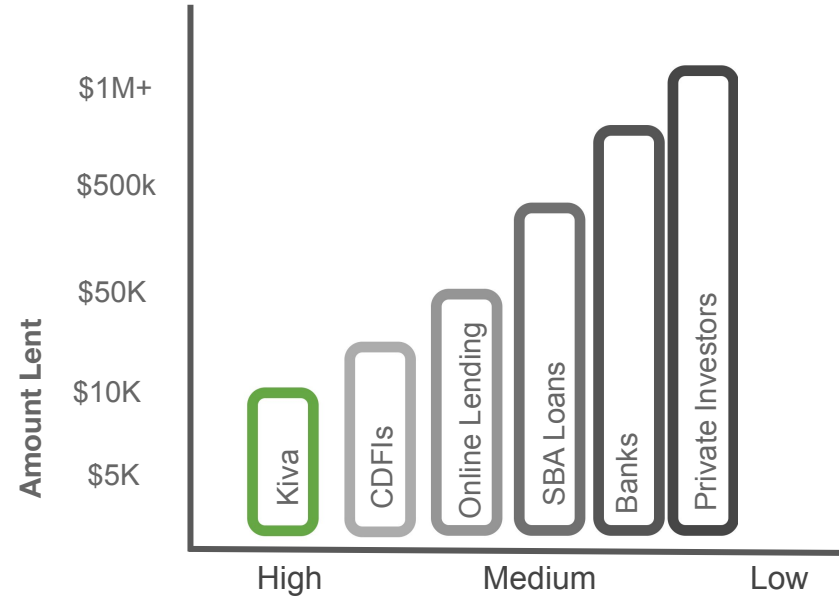
Kiva acts as a first-rung on an otherwise inaccessible financial ladder, creating an important new path to financial mainstream.



Kiva funded borrowers were previously rejected



Kiva borrowers who have credit scores below 650

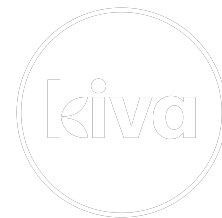


Perceived Credit Risk

(based on # of years of in operations, credit score)

Solution: People for People

Kiva: The Missing Micro



Funded

Total loan: \$10,000

Powered by [144 lenders](#)

Gary

Hollis Cleaning Service



[San Jose, CA, United States](#) / Cleaning Services

[Find a new loan](#)

A loan helped obtain the proper equipment to financially enhance the growth of the company.

Solution: People for People

Kiva: The Missing Micro - The First Rung



 Matching by LISC Small Business

53% funded

29 days left

\$2,350 to go

Total loan: \$5,000

Powered by 29 lenders

Derek

The Kalamazoo Pickle Company, LLC



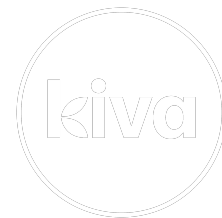
Kalamazoo, MI, United States /
Food Production/Sales

\$25 ▼

Lend now

Solution: People for People

Community- Capital - Connections



Repaid

Total loan: \$15,000

Powered by [504 lenders](#)

Feleciai

Skincare by Feleciai



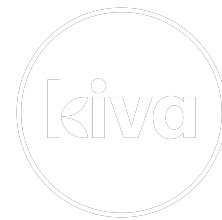
[Oakland, CA, United States](#) / Crafts

[Find a new loan](#)

A loan helped increase my production capacity and hire a part-time employee and buy additional supplies.

Solution: People for People

Kiva: The Missing Micro



Funded

Total loan: \$10,000

Powered by 123 lenders

Shawn

TART! Oakland



Oakland, CA, United States / Food
Production/Sales

[Find a new loan](#)

A loan helped me to expand marketing, add much needed accounting assistance, and gain additional working capital for the business.

Impact

With as little as \$25

Since 2013, Kiva US has facilitated the crowd-lending of **\$38 Million** to **6,500 Businesses** with the help of **1.8m** active lenders to support small businesses around the world.



Overview Kiva Hubs

Plug & Play Local Micro Lending

Kiva US partners with city government, foundations and organizations to bring **affordable capital to small businesses** by activating local communities with 1.8mm active Kiva lenders.



How we do it: Kiva Hubs

A plug-in lending solution for financial inclusion

Kiva offers its **plug-in microlending platform** to make capital accessible to financially excluded business owners. **CDFIs, City Governments, & technical assistance providers** have a track record of leveraging Kiva to expand their impact.



Every Community is Unique

Collaboration Among Multiple Stakeholders

Through the Kiva Hubs Model, a community can choose a combination of stakeholders that leverages the pre-existing strengths of the local economic development network.

Trustees provide technical assistance crucial for strengthening small businesses.

Hubs tie the program together, with Capital Access Manager (CAM) servicing borrowers and connecting and to trustees.

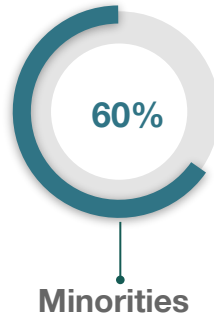
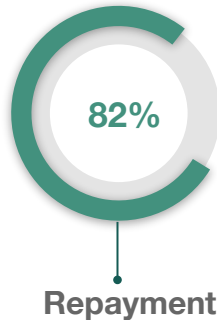
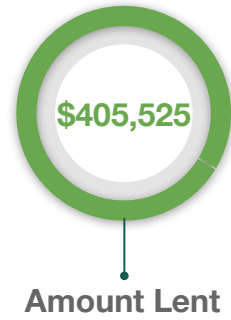
Funders cover the cost of the CAM's salary and the market management fee.

Trustee	Hub	Funder
Incubator	City Government	Foundation
City Government	Technical Assistance	City Government
Technical Assistance	CDFI	Local Corporations
CDFI	Incubator	Bank

Case Study

City of Rochester | Rochester, NY

Funder	Hub	Trustee
City Government	City Government	City Government



Rochester gives \$100,000 to Kiva crowdfunding effort

Khristopher J Brooks, @AmericanGlow Published 7:37 a.m. ET Aug. 22, 2016 | Updated 6:10 p.m. ET Aug. 22, 2016

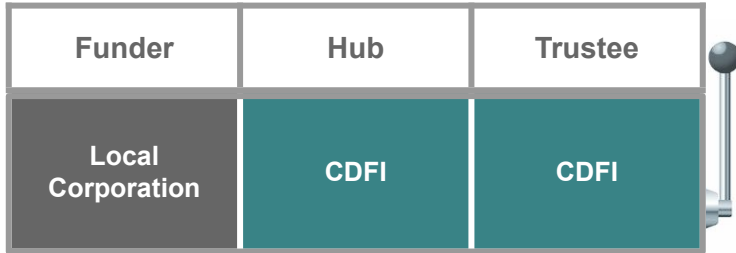
After Rochester's main employer, Kodak, officially shut its plant in 2011, the city's citizens and leadership were looking for mechanisms for local investment. Small businesses were suffering in a loan-desert landscape that did not provide access to financing.

In 2016, Rochester raised \$100,000 to start a Kiva Hub to launch a loan matching account run by the city that supports some of the city's most impoverished neighborhoods. In addition, Rochester serves as a trustee and a funder, providing matching funds and hiring a Capital Access Manager, staffed by the local AmeriCore Vista program.

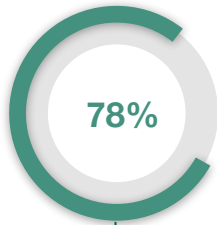
Today the City uses the Kiva program as a carrot to attract marginalized entrepreneurs to engage with other technical assistance programs like pro bono legal assistance and financial counselling, with Kiva helping generate 3x in referrals.

Case Study

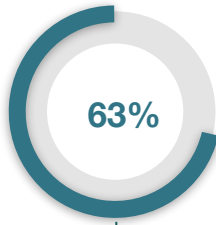
WWIBIC | Wisconsin



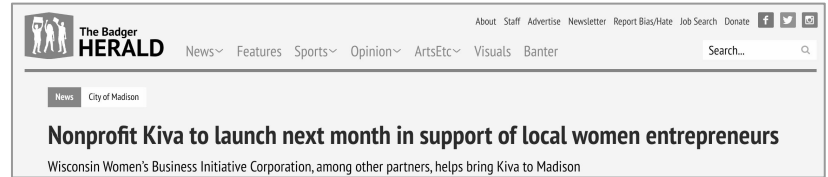
Amount Lent



Repayment



Minorities



Wisconsin Women's Business Initiative Corporation (WWBIC) launched Kiva in Milwaukee in 2015. WWBIC raised \$250,000 for the program to expand and open in a second city, Madison".

They also raised over \$350,000 in matching funds to support lending on Kiva, to Wisconsin borrowers. WWBIC has leveraged Kiva to fill its own client pipeline - ~20% of endorsements get the follow on funding through WWBIC. WWBIC even offers a joint product that it offers in conjunction with the client completing a Kiva campaign.

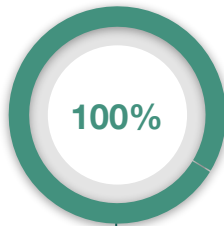
Case Study

Startup Junkie | Fayetteville, AR

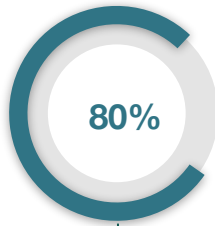
Funder	Hub	Trustee
Walton Family Foundation	Startup Junkie	Startup Junkie



Amount Lent



Repayment



Minorities



SMALL BUSINESS

Startup Junkie, Walton Family Foundation Launch Micro-Loan Program

by Sarah Campbell-Miller

Wednesday, Dec. 4, 2019 1:48 pm 1 min read



Startup Junkie and the **Walton Family Foundation** are launching a new microfinance hub in Northwest Arkansas that is designed to impact entrepreneurs and small business owners who require access to capital. The organizations are partnering with Kiva, a San Francisco-based international nonprofit. Founded in 2005, Kiva provides enables individual to crowdfund loans – enabling greater access to capital and financial services. Through the Kiva hub, community members will be able sign up to lend money to local entrepreneurs. Loans can be made in increments of \$25.

Borrowers who live in Washington or Benton counties in Northwest Arkansas will be able to benefit from matching funds from the Walton Family Foundation. The organization contributed \$100,000 that will be used to match, dollar-for-dollar, grants from the two counties if a Kiva loan is approved.

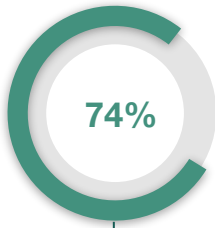
Case Study

Centro | Oakland, CA

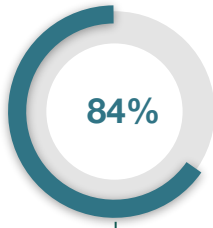
Funder	Hub	Trustee
GoBiz Bay Area Dev SF Foundation	Centro	Centro



Amount Lent



Repayment



Minorities

New Kiva Hub Opens in Oakland

Posted on [March 4, 2020](#)

CENTRO
COMMUNITY PARTNERS

[HOME](#) [ABOUT US](#) [WHAT WE DO](#) [START A BUSINESS](#) [GROW YOUR BUSINESS](#)

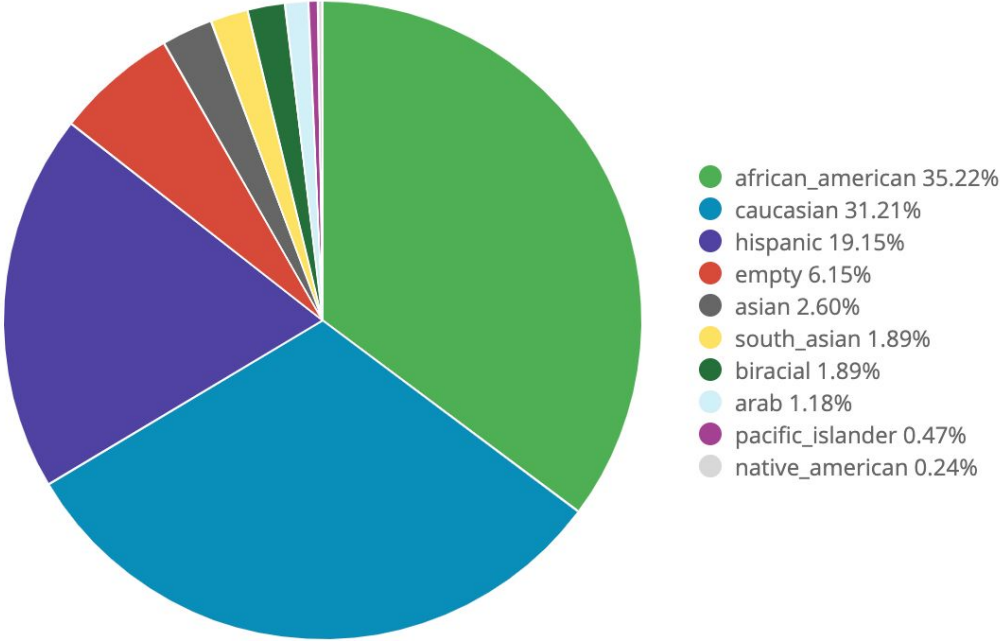
In 2014, the city of Oakland became the first major city to become a Kiva trustee and then a Kiva city in 2016 with an on ground Kiva staff. By January of 2020, Kiva had supported over 850 small business owners with almost \$4.2 in interest free capital in Oakland, 71% of those were women and 84% were people of color.

The City of Oakland, California's statewide Micro Enterprise network (CAMEO) worked with Centro Community Partners, that supported over \$400,000 in interest free Kiva loans to become the Hub for Oakland . As of June 1, the Hub has given over \$300,000 in 0% capital to 30 small business owners.

The funding to support the Oakland Hub was a collaborative approach which can be replicated in other cities. NorCal Small Business Development Center, with funding provided by Go-Biz, the California Governor's Office of Economic Development, offered a grant to start the Oakland Hub and hire a Capital Access Manager for Centro Community Partners. This grant was supplemented by funding from Bay Area Development, The San Francisco Foundation and Comerica.

Kiva and African American Small Businesses

Impact



35%+ loans to Black Business Owners

- Kiva US loan is a tool working to further economic justice with 75%+ loans to minorities and / or women
- 66% of borrowers have been rejected by traditional lenders

Kiva and Africa American Small Businesses

Impact and the Possibility to Scale

Top Cities

1. Brooklyn
2. Milwaukee
3. New York
4. Oakland
5. Rochester
6. Detroit
7. Bronx
8. Pittsburgh
9. Columbus
10. Memphis

Average loan size 2019

\$5496

Business Revenue

60% of loans go to people
with < 25k in revenue

Industries

1. Services
2. Restaurant
3. Cosmetic sales
4. Retail
5. Food production/sales
6. Clothing (big jump in 2019)
7. Education provider

Loan use

1. Buying equipment
2. Purchasing inventory
3. Remodeling/expansion
4. Marketing
5. Other

Years in business

Majority in business longer than 3
years but also support early-stage
businesses

The Capital Ladder

Feleciai: Skin Care by Feleciai



Amount: \$5,000



Amount: \$10,000



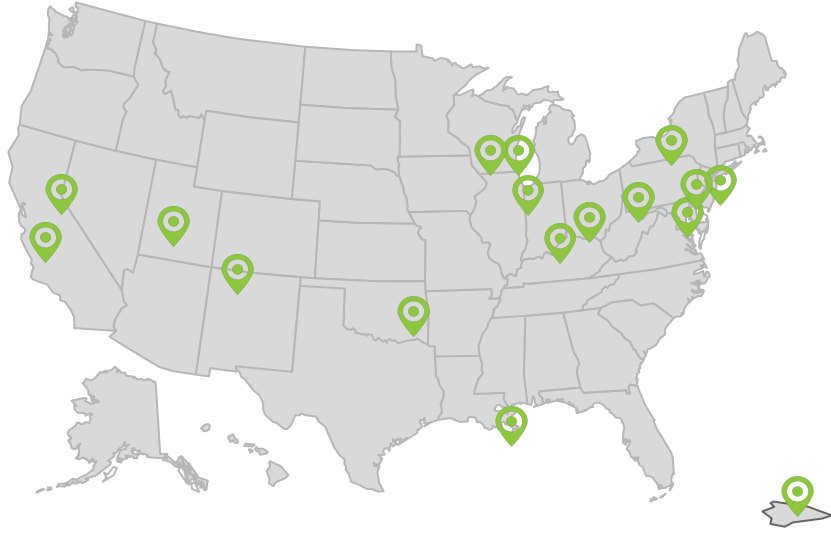
Amount: \$15,000



Amount: \$25,000

Appendix II

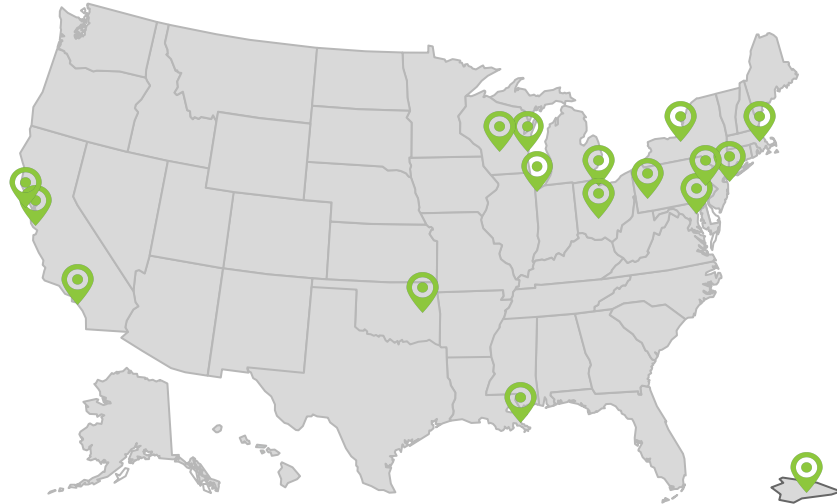
Existing Hubs



City, State	Hub
Baltimore, MD	Baltimore Corps
Chattanooga, TN	The Company Lab
Clarksdale, MS	Higher Purpose
Cleveland, OH	Economic Community Development Institute
Columbus, OH	Ohio SBDC
Denver, CO	Colorado Lending Source
Detroit, MI	The Build Institute
Fayetteville, AR	Startup Junkie
Indianapolis, IN	Bankable
Madison, Milwaukee, West Allis, and Rural WI	Wisconsin Women's Business Initiative Corporation
New York City, NY	City of New York, Small Business Services + Business Solutions Centers
Oakland, CA	Centro Community Partners
Pittsburgh, PA	Riverside Center for Innovation
Puerto Rico	Causa Local
Rochester, NY	City of Rochester, NY
Salt Lake City, UT	Women's Business Center of Utah
San Jose, CA	San Jose SBDC Hispanic Satellite
Tucson, AZ	Growth Partners Arizona
Tulsa, OK	Lobeck Taylor Family Foundation
York, PA	City of York, PA

Testimonials

Existing Kiva Hubs



City of Rochester, NY
Lovely A. Warren, Mayor

“A unique loan product that is feasible for micro-businesses”



City of Oakland

“We’re giving residents a critical way to directly support the small businesses that are the backbone and creative engine of our local economy”



“Access to affordable capital for individuals who wouldn't get a chance elsewhere”



“Kiva started a real conversation about how to support businesses in Tulsa in a way that is riskier but less conservative”



“This way, we can provide loans to clients who don't qualify for our products, or who are just getting started and need a smaller loan size.”

Win-Win-Win

Fundraising and PR



About 30% of WWBIC's annual income is from grants. Many of our grantmakers want to see us service more clients while operating efficiently. With the Kiva loan product, WWBIC is serving much more of Wisconsin, without financial risk or significant investment of our own. Combine that with the data that Kiva provides us, like how many small businesses we helped start, and we are able to use that information in our proposals and get more funding for the operating expenses of WWBIC. It has been a win win win.

Barb Kueny

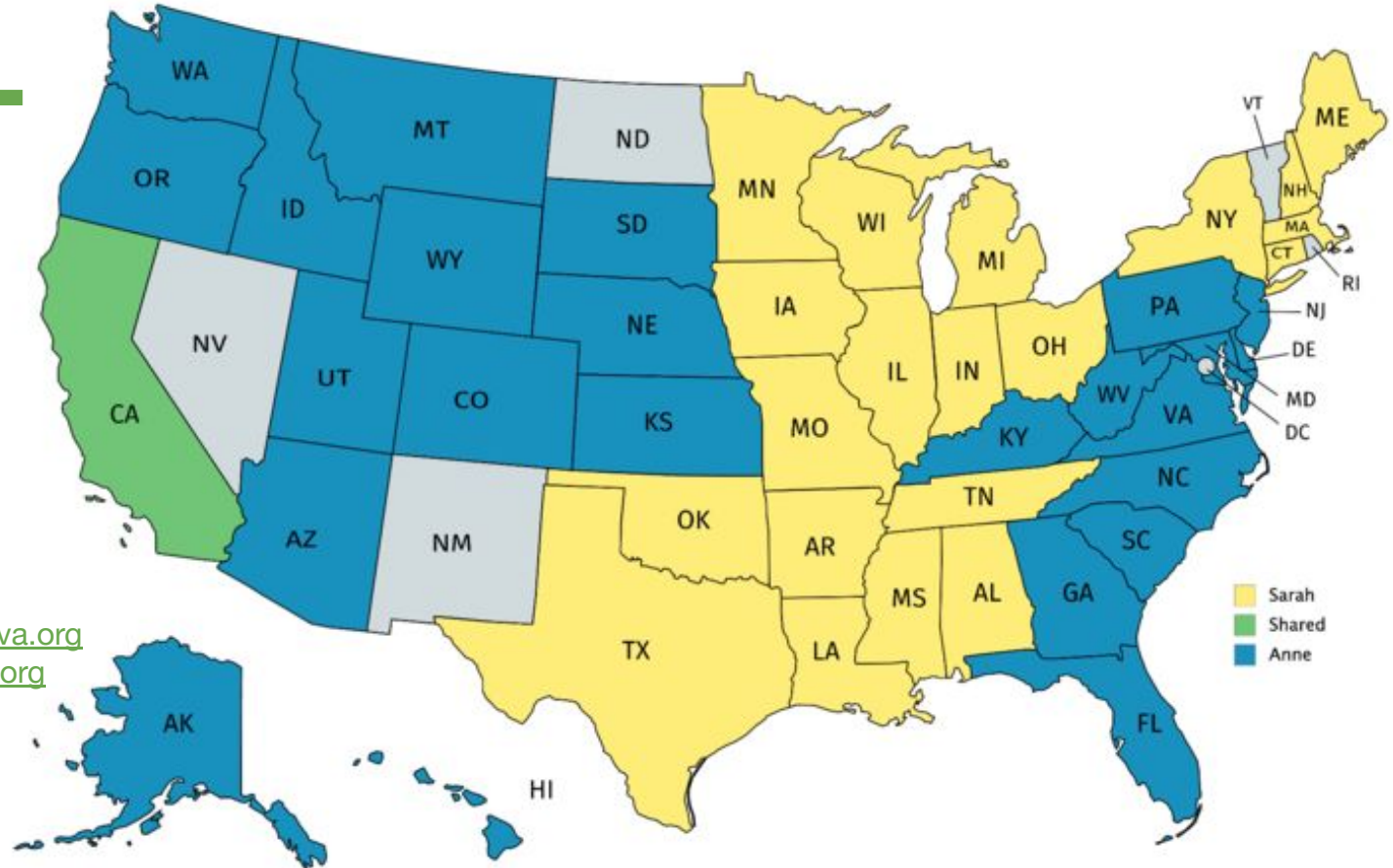
Director of Development

Wisconsin Women's Business Initiative Corporation (WWBIC)



Region Distribution

Sarah & Anne



EMAIL

Sarah Adeel: saraha@kiva.org

Anne Lufkin: annel@kiva.org

WEBSITE

www.kiva.org

Oakland Mayor Schaaf

Kiva Hubs Success in Oakland

<https://youtu.be/shdFTcOMDRU?t=2798>



kiva U.S.

Helping Small Businesses Access the First Rung of the Capital Ladder

Thank you & Questions

















Kiva and Africa American Small Businesses

Impact and the Possibility to Scale



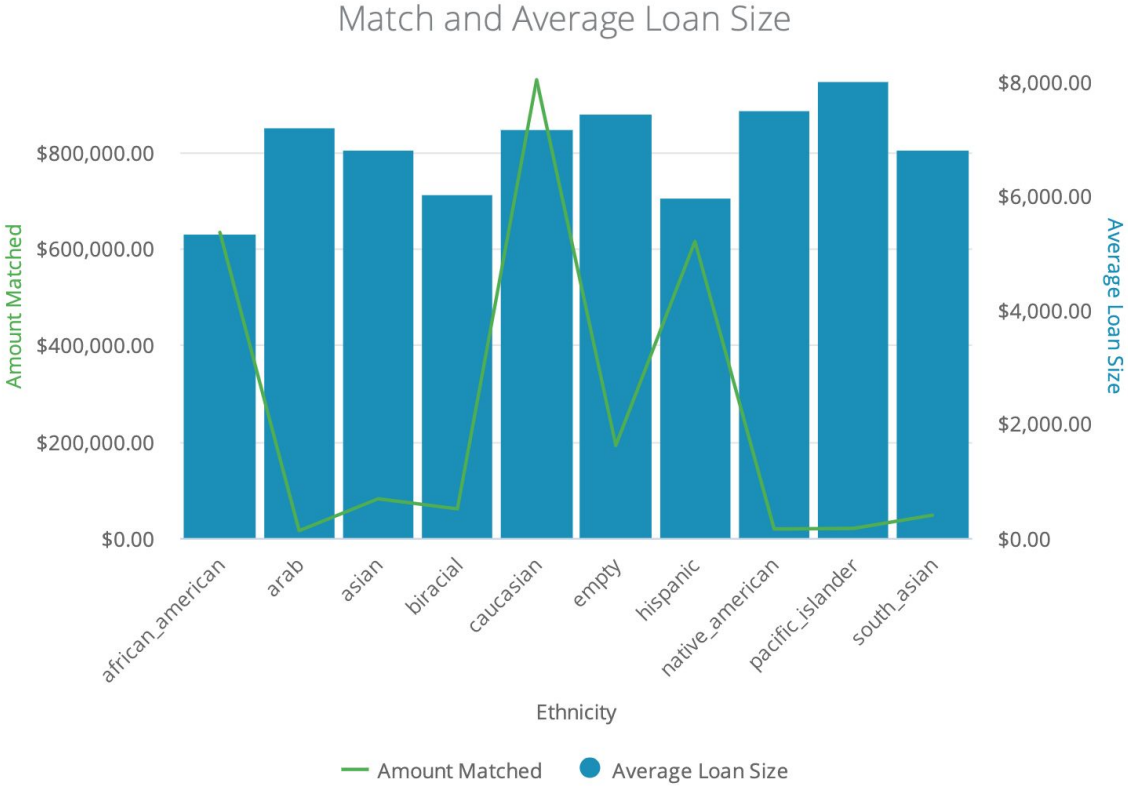
Black

Black VS other Based on Hub (18 months)

Is US Hub Application (Yes / No)		> No		Yes	
	Ethnicity	3. Number Activated	4A. Amount Raised	3. Number Activated	4A. Amount Raised
1	african_american	 355	\$1,012,000.00	 288	\$1,244,000.00
2	caucasian	 330	\$1,456,000.00	 268	\$1,673,500.00
3	hispanic	 136	\$360,500.00	 257	\$1,255,000.00
4	empty	 66	\$258,000.00	 38	\$258,500.00
5	asian	 39	\$95,000.00	 21	\$120,000.00
6	biracial	 33	\$135,000.00	 14	\$50,000.00
7	pacific_islander	 14	\$78,500.00	 1	\$0.00

Kiva and Africa American Small Businesses

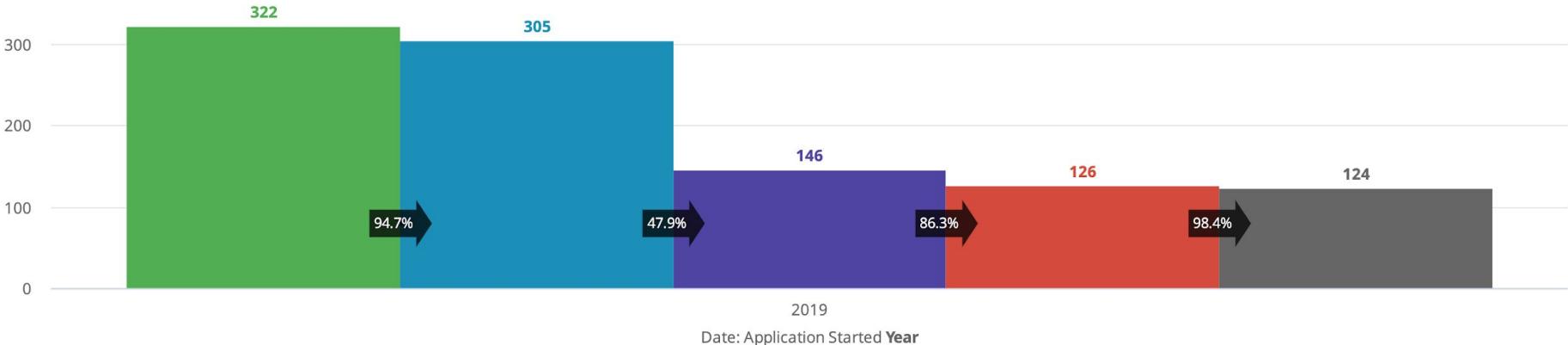
Impact and the Possibility to Scale



Kiva and Africa American Small Businesses

Impact and the Possibility to Scale

Black funnel Hubs



● Application Metrics **Number of Applications**
● Measures: Loan Number **4A. Number Exiting PFP**

● Application Metrics **Number of Submitted Applications** ● Measures: Loan Number **3. Number Activated**
● Measures: Loan Number **4A. Number Raised**

Kiva and Africa American Small Businesses

Impact and the Possibility to Scale

Black FTDs by Loan amount

