

# Lifting One to Lift Many Kiva Capital Community Funding Dreams



### Kiva's Crowdfunded Loans

#### **Expanding Access To Capital and Customers for Entrepreneurs**

Kiva.org is a non-profit that enables passionate and determined entrepreneurs throughout the U.S.to access 0% interest small business loans. We reintroduce relationships into the financial system by facilitating lending through Kiva's community of over 1.5 million potential customers, business advisors and brand ambassadors.

#### The Loan:

- 0% interest, loans up to \$10,000
- Terms up to 36 months, grace periods are available for agriculture businesses
- Funded by hundreds of lenders from around the world, in increments of \$25

### Who is Eligible?

A Kiva U.S. Borrower Must...

- Be at least 18 years old
- Not currently be in bankruptcy or foreclosure
- Use the loan for a legal business

### We care about your Character, not your Credit Score:

- · No credit score, collateral, business plan or financial statements required
- You establish your reputation and community of support by inviting lenders from your network
- Unlike other crowdfunding platforms, our community of 1.5 million lenders funds the majority of the loan amount

#### To learn more and get started email HUB - Kiva Columbus

columbus@local.kiva.columbus.org or visit Kiva Columbus at us.kiva.org/columbus/

Since 2005, over 2 million entrepreneurs around the world have borrowed \$850 million through the Kiva website.

Leverage the power of Kiva's crowd:

- Access 0% interest loan capital from hundreds of individual lenders looking to make a positive impact in their community
- Gainfree marketing exposure to 1.5 million potential customers and champions for your business
- Establish connections to people who can support your business
- Join our global community of millions of people committed to empower entrepreneurs around the world

But what can you do with \$10k?

- Upgrade equipment and renovate your space
- Gain working capital or add inventory
- Hire another set of hands
- Pay for certifications and licensing
- Build a website and invest in marketing
- We trust you to decide





The Ohio Small Business Development Center (SBDC) Program is funded in part through a cooperative agreement with the U.S. Small Business Administration. The SBDC program is also funded in part by the Ohio Development Services Agency. All services are extended to the public on a non-discriminatory basis. Language assistance services are available for limited English proficient individuals. Reasonable accommodation for persons with disabilities will be made if requested at least two weeks in advance. Contact SBDC at (614) 614-287-5294 or at our website: www.sbdccolumbus.com

### **Kiva Frequently Asked Questions**

### > What is Kiva?

• Kiva is an international nonprofit based in San Francisco that offers 0% interest loans of \$10,000 or less to qualifying small businesses and entrepreneurs.

#### > Who qualifies for a Kiva loan?

• Kiva loans are intended to serve small businesses and entrepreneurs that might have difficulty securing funding from traditional lending institutions. Kiva borrowers can use a loan of \$10,000 or less to make a direct impact on their business, or to help launch a new business.

#### How does Kiva work?

 Kiva loans are crowdfunded online by millions of lenders all over the world! Each Kiva borrower has a unique profile on the website that allows lenders to both read about their business contribute to the overall loan fundraising goal by making loans of \$25 or more. Learn more >> kiva.org/about/how

#### > I heard Kiva does not do a "traditional" credit check. What does this mean?

• When applying for a Kiva loan, character and social capital are more important indicators of creditworthiness, than your credit score and cash flow. But Kiva uses an alternative form of underwriting that asks borrowers to first secure \$25 loans from a certain number of people from their personal network before being exposed to the 1.5 million Kiva lenders worldwide. Personal credit is evaluated, but only is a significant barrier if an open bankruptcy exists.

#### Is Kiva really 0% interest?

Yes! Kiva is a 501(c)3 organization that receives all of its funding from grants, donations, and government support. PayPal facilitates all transactions, and waives its normal 3% fee. Money moves directly from lender to borrower and back, with 0% interest for both the borrowers and the lenders.

#### > What are the loan repayment terms?

• Loan terms vary from 6 months to 36 months depending on the loan size with no late fees or prepayment penalty for early payoff.

#### > How can I get involved?

• Anyone can get involved in Kiva. To learn more about the different ways you can participate, contact Ellen Harvey columbus@local.kiva.org

### **How do I apply for a Kiva loan?**

o First, attend an informational workshop! Register at sbdccolumbus.com/events/

## The kiva Application Process

### **Overview and step-by-step checklist**

### **Phase 1: The Application (1 – 4 weeks)**

- Create Kiva and PayPal accounts
- "Pay it forward" and make a loan on Kiva.org!
- Clean up and polish your social media presence. Create separate accounts for your business if you have not already done so.
- Complete the Kiva Columbus application & review with your Capital Access manager. To apply online go to us.kiva.org/columbus/ click Borrow Get Started
- Take a great photo of you & your business.
- Email Kiva Columbus staff for review at columbus@local.kiva.org upon completion
- Receive feedback, and make changes, & to advance to underwriting
- Kiva review process can take up to **1 week**. Check your email frequently for updates and suggested edits during this period.

### Phase 2: Fundraising (up to 45 days)

### Before fundraising period begins

During the review period, reach out to your personal networks. Tell your friends & family that you will be asking for a loan through K iva & need their support. Help your supporters create Kiva.org accounts.

## Private Fundraising Period begins (up to 15 days to complete requirement):

Promote your loan to your friends, family, and customers through social media, email, and word of mouth. You will need a minimum of 15 lending participants and to archieve 30% of your loan request

## Profile goes public on the Kiva.org website (16th day for 30 days to fully fundraise)

Monitor your progress and make sure to consistently promote your loan to your networks. Interact with your lenders using the "conversations" tab on your loan.

## Loan funds will be deposited to your Paypal account within 5 days after full loan amount is reached during fundraising period

Note: Kiva Columbus, SBDC staff are available to assist during any step in the process.

### **Kiva Borrower Profile Checklist** 3 steps to creating the perfect Kiva profile page

A Borrower's profile on the Kiva website provides the means by which Lenders all over the world will decide whether they will lend their money to your business. Remember, they don't know you personally! A strong profile can help to ensure that Lenders connect with you and will ultimately help you reach your goal of securing a Kiva loan. With that in mind, here are some easy steps you can take to make sure your profile is as great as it can be!

### **1. Perfect The Profile Photo:**

Your photo is the first thing a potential Lender sees and is the most important part of your profile. When creating your profile, make sure that your photo: (Horizontal view)

- Is taken in good lighting, so that it is clear and easily visible.
- Shows you smiling! A happy smile goes a long way towards making someone feel good about lending you their money.
- Highlights you and your business. Your profile photo should not just be a headshot or a picture of your product, but rather a shot of you demonstrating what your business is all about.

### 2. Tell Your Personal Story:

Lenders choose Borrowers with whom they feel a connection. Your story allows the Lender to learn something about you, and gives them a reason to believe in you and choose to lend you money. Your story should:

- Describe your background how does your life story relate to the business you want to pursue? Tell the Lender some unique things about you that relate to how you got where you are today.
- Talk about your motivation why do you want to pursue this business? What drives you to want to better your situation?
- Let your personality shine through show people who you are. Give them an understanding of your values, goals, and why your business is important to you.

### 3. Explain how you will use the loan:

In the end, it's important to remember that you are asking people to lend you money so you can grow or start your business. To do that, they need to know how the loan will be used. Make sure to:

- Be specific! Describe exactly what you plan to use the money to do. If you are vague, people might not get a clear idea of how you will be use their money, and could become less likely to choose to fund you. For example, if you are planning on using the money to buy a new piece of equipment, say so!
- Talk about how the loan will positively impact your business. Simply telling people what you will use the money for is not enough- tell them exactly how it is going to help you grow your business.

## **Remember:**

Your profile is your story - no one else's. Always treat it that way.

Explain your business idea in terms of who you are, and where you've

been. Give potential Lenders something to connect with. Be personal.

You already know that you have the idea and the potential. Your

job is to make sure that the Lender knows the same thing.

## **Examples of strong profile photos**













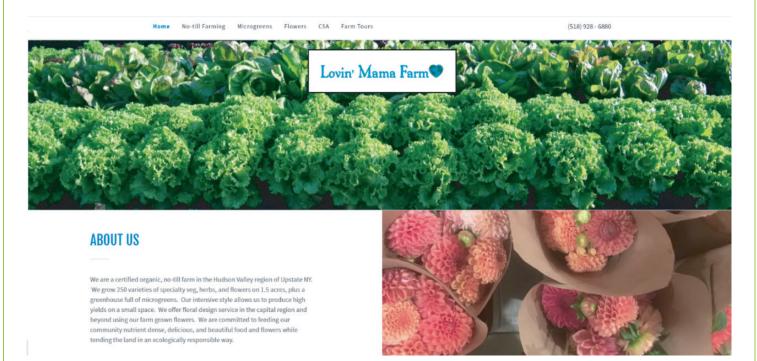
### Example of a great profile story

### Matthew Lovin' Mama Farm Potter Valley, CA

Raised in New York City, I never felt at home in the concrete jungle. After following my interest in outdoor education at Earlham college, I changed my life direction when my future wife and I grew a market garden and sold at two markets near her parents' home in SutterCreek, California. I then went on to study ecological agriculture at Evergreen State College. By working at the organic farm on campus, and completing course work, I received a practical education that provided me with the skills to run a farm.

The warmer climate of California drew me and my wife south after graduation. We found a new home in the culturally diverse, GMO free Mendocino County. Here we have struggled for four years to make a farm business that supplies fresh, quality, organic, nutrient dense, and locally produced vegetables, fruits, culinary herbs, and flowers. Over four years we have successfully hurdled the many obstacles of production and marketing in order to make it over the hump that many farms fail to ever achieve. Besides a cunning farm methodology, artistic marketing, and community supported agriculture (CSA), one of the main reasons we have been successful is the lack of local food in our county. Mendocino is a very mountainous county, and not much fertile valley land is available. Of that fertile land, a good portion is planted in wine grapes. This has made land prices soar in our region, and makes it nearly impossible for a farmer such as myself to access land. As a result, 98% of the food consumed in Mendocino comes from outside the county.

Due to these reasons our farm has had an amazing start supported by customers hungry for high quality food. I would like to continue to produce quality organic produce to the county through farmers markets, CSA, and wholesale arrangements with stores and restaurants. For many years my friends have heard me say "we must remember that with our powers combined, anything is possible." After 4 years of starting a farm, I still wholeheartedly agree with that statement, and use the law of attraction to manifest a farm that is an example of an ecologically sound way to produce food



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## kiva **Community Backed Loans** We care about your character, not your credit score.



### Step 1

- Create a kiva account at kiva.org/borrow
- Complete your application

### Helpful tips:

- Have a great picture
- Have a strong social media presence
- •Write a clear and compelling business story
- Create a list of friends and family to support you

## Step 2 [1 - 15 Days]

- Private Fundraising Period
- Gather [10 25] friends and family to invest as little as \$25 or more
- Raise 15% of loan request

## Step 3 [1 - 30 Days]

- Public Fundraising Period
- Your application goes live!
- Engage social media network to invest in support of your small business
- Engage your off-line community
- Supported by 1.5 million lenders from Kiva community

### Step 4

- Funds Disbursed
- Repayment starts a month after you receive the loan

0% interest, loans up to \$10,000 / Terms up to 36 months / Funded by hundreds of lenders from around the globe / Increases your brand awareness and customer base

### For more info: email columbus@local.kiva.org or visit us.kiva.org/columbus

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### **5 Easy Steps to Create Your PayPal Account**

- 1. Go to PayPal.com and click "Sign up for free."
- 2. Select "personal account" and click next.
- 3. Input your email and create a password that you will remember easily.
- **4.** Input your personal information and payment option. You will only need to enter your credit/debit card information once, then PayPal will save it.
- 5. Make sure to note your account name and password somewhere safe ! You will use this account for all Kiva transactions, including disbursement of your loan.

**PLEASE NOTE** Your PayPal account contains information linked to your credit/debit card. Always remember to guard your password and login carefully, and ensure that you are the only person with access to your PayPal account!

### **5 Easy Steps to Create Your Kiva Account**

- 1. Go to Kiva.org. At the top right side of the landing page, click on "Sign In."
- 2. Click on "Sign up for Kiva."
- 3. Input your personal information, or choose to sign in with Facebook.
- 4. If you want to, upload a photo of yourself! This will be your profile picture for all Kiva activity. This is separate from your loan page photo.
- 5. Make a loan! You are now part of the Kiva community-1.5 million people all over the world who are dedicated to making a positive change in the lives of entrepreneurs worldwide.

PLEASE NOTE: You are not technically required to make a loan on Kiva to be eligible to

apply to borrow. However, Kiva highly recommends that potential borrowers "pay it forward"

and help support someone else before applying.

# kiva

### **Kiva US Application Checklist**

Required items while completing application are marked with an asterisk\*

### **Personal Information**

- Full name\*
- Birthdate\*
- Email\*
- Mobile phone number\*
- Preferred language
- Home address\*

### **Demographics**

- Gender
- Level of education
- Ethnicity
- Financial dependents

### **Minimum Eligibility**

- Business address\*
- Bankruptcy reporting
- Previous convictions reporting
- PayPal account

### **General Loan Information**

- Loan amount request
- Loan uses
- Repayment plans •

### **General Business Information**

- Business name\*
- Business address\*
- Years in operation\*
- Number of employees\*
- Business industry\*
- Legal status\*
- Previous financing\*
- Business websites/social media

### **Personal Financial Information**

- Total average monthly household income over the last 12 months\*
- Monthly personal household payments (rent/mortgage, alimony/child support, loans, credit card payments, payments on debt)\*

### **Business Financial Information**

- Separated finances •
- Monthly business revenue\*
- Monthly business payments (rent/mortgage, employee salaries, loan payments, credit card payments, payments on debt, purchasing of equipment/goods, balance in savings accounts, overdrawn accounts/check bounces)\*

### **Credit History**

- Credit score
- Past due debt

### Loan Profile (Public Profile)

- Loan use tagline\*
- Personal story\* •
- Business story\* •
- Loan use description\* •
- Itemized cost list for loan use •
- Youtube video link •
- Photo\* •

### **Documents**

- Business verification\*
- Additional supporting business documents



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### KivaU.S. Borrower Loan Application

Before beginning a loan application online, you can fill this out so you know what information we require. For any questions, please contact Ellen Harvey at columbus@local.kiva.org

Personal	Info
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What is your legal name?	
First Name	
Middle Name	
Last Name	
Demographic Information	
Birthday	
Gender	
Ethnicity	
Are you a veteran?	
Your Contact Information	
Phone Number	
Street Address	
Apartment, suite, unit,	
building, floor, etc.	
City	
State	
Zip Code	

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### Household Finances

#### **Household Income**

How much did your household earn over the last 12	
months?	
How much did your household earn over the last 3	
months?	
How many people (including yourself) do you financially	
support?	

#### **Household Debts**

What is your monthly mortgage or rent payment?	
What are your monthly credit card payments?	
What is your outstanding credit card balance?	
What is the sum of all other monthly debt payments?	
Please explain your household monthly debt payments	
How much of your debt is more than 90 days past due?	

#### **Financial History**

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Have you ever declared bankruptcy?	
Are you currently in bankruptcy or foreclosure?	
What is your credit score?	



### **Business Info**

What type of business do you have?	
For how many years have you been in business?	
What was your approximate business revenue in the	
past 12 months?	
How many employees does your business have?	
How much are your monthly business loan payments?	
What is the total amount of outstanding debt for your	
business?	

### **Public Profile**

Upload a photo for your loan	-
Tell us about yourself:	

### **Business Profile**

Public Business Profile

What's the name of your business?	
Tell us about your business	

Where is your business located?

Phone Number	
Street Address	
Apartment, suite, unit, building, floor, etc.	
City	
State	
Zip Code	



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### **Social Media**

Website URL (optional)	
Facebook URL (optional)	
LinkedIn URL (optional)	
Twitter URL (optional)	
Yelp URL (optional)	
Etsy URL (optional)	

\*although this section is optional, it is highly recommended

### **Loan Request**

#### **Your Loan Request**

How will you use this loan?	
Please complete the statement: A Kiva U.S. loan helps	
me to	
How will this loan help you grow your business?	

#### Where should the loan be deposited?

Paypal Name	
Paypal Email	

### Review

Loan Amount	
Loan Term	



### **Private Fundraising Requirement**

Kiva U.S. uses your trust network to measure your credibility. Invite friends and family to lend as little as \$25 to you. You'll have 15 days to reach your requirement. When you succeed, your loan will be live for fundraising!

Loan Request	Required Number of Lenders
\$1,000 or less	10 lenders
\$1,025 - \$2,500	10-15 lenders
\$2,525 - \$5,000	15-20 lenders
\$5025 - \$10000	20-35 lenders

### **Quality Standards**

To view our best practices and loan application requirements, please visit our **Borrower Resource Center**.



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### **Public Profile**

Tell us a little about yourself. This will help lenders to understand your personal story – focus on where you come from, and how your life has influenced you to become involved in your business. This will be a major part of your public profile on Kiva, so make sure you are clear and descriptive!



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### **Social Media**

Please provide us with links to your online presence, if available. If you do not have an online presence specifically for your business, we highly suggest that you create account for at least Facebook and Twitter that are separate from your personal accounts. This is not required, but is highly desirable in an application.

Faashaaka	
Facebook:	
Twitter:	 
Yelp:	 
LinkedIn:	
<b>D</b> 4	
Etsy:	 
Other:	 

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### **Your Loan Request**

#### How will you use this loan? (Please circle one)

- Buying Equipment	- Remodeling / Expansion	- Purchasing Inventory
- Hiring Employees	- Refinancing Debt	- Other

- Marketing

Please complete this statement: "A kiva loan helps to..."

This will also be highly visible on your public profile. Make sure that it is specific, and that it directly relates to what your business does, and how Kiva will help you succeed.

A Kiva loan helps to...



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### **Your Loan Request**

How will this loan help grow your business?

This is the final piece that will be showcased on your public profile – be direct, and tell the lender how their loan will help to achieve a specific, stated goal. Explain how this goal will help your business to grow and become more successful.



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# kiva Friends & Family Potential Lenders

Name	#Phone	Emai
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### **Loan Payment Scheduled**

Loan Amount	Loan term	Monthly Payment
\$1,000	12	\$83.33
\$2,000	12	\$166.67
\$3,000	18	\$166.67
\$4,000	18	\$222.22
\$5,000	24	\$208.33
\$6,000	24	\$250.00
\$7,000	24	\$291.67
\$8,000	36	\$222.22
\$9,000	36	\$250.00
\$10,000	36	\$277.78

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