The Kiva US Journey
What to expect and how to successfully fund your loan – in 18 short and sweet slides.
The Road Map

All borrowers must complete every step of this journey to have a successful Kiva experience and access our 0% interest, socially crowdfunded loans.

This is a 18 slide deck that will give you an overview of what you can expect for each step of the Kiva process.

For your best success, read the whole thing. Is 5 minutes worth $5,000? We think so...
It is becoming increasingly difficult for small business owners to access the capital they need to launch or grow their business. Some small businesses need only modest injections of capital, but Banks won’t lend small enough.
Most small business lenders evaluate your “creditworthiness” based on a narrow set of financial criteria -- credit reports, bank statements, cash flows and collateral. Even where credit is available, it often comes with high interest rates and hidden fees.

At Kiva we want to change all that, by **reinserting people and human relationships into our financial system.**

We determine a small business owner’s creditworthiness not by the flaws in their credit score, but by the strength of their character. And our loans are funded not by an impersonal institution seeking to minimize risk and maximize financial return, but by a generous community of hundreds of people seeking to support a small business that they love, or a cause that they care about.

If you’re one of the millions of small business owners that bring diversity, character and economic vitality to our nation’s neighborhoods, we want to support you.

The following slides show you how we might do that...
You can launch your Kiva application by visiting [www.kiva.org/borrow](http://www.kiva.org/borrow).

The application stage can take up to 30 days, though YOU are in charge of how quickly you advance to the review stage.

For tips about how to create your best profile to meet our quality standards, visit our [application help page](http://application-help-page).
The most important aspects of your Kiva Application are the following:

- **Have a great photo** of you and your business. Check out our photo guidelines [here](#).

- Include links to your business’s **online presence**. Lenders may want to visit your website, check out your Facebook page, your Twitter, your Yelp page, your Etsy page. We prioritize businesses that have strong online presences!

- **Verify your business PayPal account**. Kiva loans are disbursed and repaid through PayPal. You must have a verified, business account.

- **Tell your and your business’ story**.

Again, for support with each piece of the application, [visit this help page](#).
Once your loan is submitted, the Review team at Kiva HQ will take a week or less to review your profile.

If your profile meets our quality standards and basic financial criteria, we will post your loan to the Private Fundraising Period, the final stage of the application process. If your profile does NOT meet our standards your application may be rejected, or you may qualify for a smaller loan amount.

If your application is approved, the Review team will call you to confirm your loan size and term. Make sure the phone number you list is working – or you won’t be posted!
During the Review phase, you’ll be asked to lend $25 to another fundraising borrower on our website. This is the first step of our social underwriting process.

We want you to be an active contributor to our community and understand the lender experience before launching your fundraising campaign.

We want you to understand the lender experience before launching your own campaign, but more importantly, we want you to grasp the larger mission of creating a community that extends economic opportunity to all entrepreneurs.

This is a loan expected to be repaid, so you’ll get your $25 back – and then be able to relend that money to another entrepreneur. That is the beauty of Kiva.
The Private Fundraising Period is a crucial part of the Kiva evaluation process.

Before we post your loan for our community of over 1.5 million lenders to support you, you will have 15 days to secure 5-30 lenders from your personal network.
We do this because validation through loans from your personal network is **how Kiva determines your creditworthiness**.

Remember, we're not asking for a credit report or six months of bank statements. But when you recruit those 5-30 lenders from your friends and family network, that shows our community that you are an entrepreneurial and trustworthy person.

It doesn’t matter how much you raise from your personal network. Instead, it matters that your personal network is willing to support you.
It’s never too early to start prepping your personal network about your Kiva Loan. You should reach out to them before your loan is posted.

We did the work for you: You can find the best tips and tricks for fundraising, as well as outreach templates you can use with your network here.
At Kiva, we pride ourselves on the fact that, unlike many other crowdfunding platforms, the vast majority of the small businesses that make it through the Private Fundraising period go on to reach their full goal. We are currently running at **over a 90% success rate**.

And we are also proud of the fact that, for most of our borrowers, our network does most of the funding. For many crowdfunding platforms, you do 80% of the work, and their wider network does the remaining 20%. For Kiva, a typical borrower brings the first 30%-50%, and then our network will bring the rest.

But that 30% from your network is important – **it’s your skin in the game**.
Once you’ve successfully recruited your required lenders, you’ll automatically move to the Public Fundraising Period. **You’ll have 30 days to raise the rest of your loan.**

You should continue to reach out to your personal network to keep building momentum, and assure you meet your final fundraising goal.

If you don’t raise the full amount, your loan will expire. Any funds raised will go back to the lenders that supported you, and you will not receive any money.
When you reach your fundraising goal your loan will automatically stop collecting contributions. (Congratulations – you made it!!)

Your loan will be disbursed to your PayPal account within a week of when you hit your goal.

Your repayment schedule will be set as soon as the loan is disbursed. In most cases, your first repayment will be due 30 days after your loan is disbursed.
In the repayment phase, you’re required to submit a payment through PayPal each month until the loan is repaid in full.

Depending on the size of your loan, the term will probably be 6, 12, 24, or 36 months.

There is no penalty for repaying your loan early.

Your lenders will receive incremental repayments each month to their Kiva accounts. For example, if they loan you $25 and you have a 24 month repayment term, they will get \( \frac{1}{24} \)th of $25, or $1.04, each month until you have fully repaid.
You should update your lenders via your conversations tab every month. They are your biggest supporters, and we have heard from lenders that they love to hear updates from the borrowers they have made loans to.

See these conversations updates as a consistent marketing opportunity for your business. Many small business marketing emails can get stale after a while...but if that “marketing” email comes with a loan repayment attached, it makes it a little easier for a lender to receive!

Once your loan is repaid in full, you can reapply for a second loan – for double what you initially raised!
Expected timeline

This is up to you!

You can significantly speed this up by writing a great story, verifying your PayPal account, and taking a great photo.

Again, you can accelerate the fundraising speed by recruiting your own networks to lend to you, and submitting a high-quality loan profile.

Any delays in the loan disbursal can be removed by verifying your PayPal account.

Borrowers that are efficient in completing their loan application, responsive to the Kiva team’s requests for information, post a great loan profile, and do a good job recruiting their friends and family to lend to them – can get their Kiva loan in a matter of weeks!
That’s it!
(See, that wasn’t so bad.)

For ongoing help with the Kiva process, you can always contact borrowers@kiva.org