

ANALYZE: Alternative Lending

Traditionally, loans were obtained through a local bank. Since those days, a lot has changed, and there are now non-bank and non-credit union ways to obtain funding. In this activity, you'll have the chance to research one alternative lender of your choice. Here are a few you can choose from:

Accion	Funding Circle	Grameen America	Indiegogo	Kickstarter
Kiva Zip	Lending Club	OnDeck	Prosper	Upstart

For the company you chose above, research the answer to as many of the following questions as you can. If you find information that doesn't answer one of these questions but is important to understanding the company, record those details, too.

Part I - Facts

1. Which company are you researching?

2. Does the company offer peer-to-peer lending, microcredit, crowdfunding, small business loans, or something else?

3. Does the company work with a specific target demographic or within a specific industry?

4. Do they conduct a credit check?

5. Is there a minimum credit score? If so, what is it?

6. Are there other special conditions that need to be met in order to qualify?

7. What interest rates are charged to the borrower?

8. What fees are charged to the borrower?

9. What is the maximum amount you can borrow?

10. Is there a minimum amount you can borrow? If so, what is it?

11. What are the terms (length of time for repayment) for the loan?

12. How does the company make their money?

13. How do investors (if applicable) make their money?

14. How long as the company existed?

15. How many borrowers has this company lent to? Or, what's the total dollar amount they've lent?

Part II - Inferences or Opinions

16. What are the benefits of choosing this company for a borrower? For a lender?

17. What might be the dangers, risks, or downsides of choosing this company for a borrower? For a lender?

18. Do you think this company is well suited to work with young people, straight out of high school or college?

19. Would you recommend this company to a friend or family member who needed to borrow money? Why or why not?

20. **BONUS:** Write a scenario for a potential borrower you think could benefit by using this company.