Welcome to the Lend Academy podcast, Episode No. 156. This is your host, Peter Renton, Founder of Lend Academy and Co-Founder of LendIt Fintech.

(music)

Today's show is sponsored by LendIt Fintech Europe 2018, Europe's leading event for innovation in financial services. It's coming up on the 19th and 20th of November in London at the Business Design Centre. We've recently opened registration as well as speaker applications. You can find out more by going to lendit.com/europe.

Peter Renton: Today on the show, I am delighted to welcome James Gutierrez, he is the CEO and Co-Founder of Insikt. Now Insikt is an interesting company. We've had James on the show before, but over the last two and a half, three years, his company has changed significantly and he's really, I think, doing some interesting work.

So we talk about his Lendify product which is this lending as a service product that he is not just going out to banks and credit unions, but really retail stores and money exchange places. We go into that in some depth how that works. We talk about the way they're doing underwriting and how he's able to underwrite these thin file borrowers and we talk, most importantly, about the recent CDFI certification that his company received which I thought was really interesting and finally we talk about the investing side of the business and the really interesting developments that are happening there. It was a fascinating interview, hope you enjoy the show.

Welcome back to the podcast, James!

James Gutierrez: Peter, thanks for having me, it's a real pleasure and honor, I appreciate it.

Peter: My pleasure, so it has been a couple of years, more than a couple of years since we've had you on, but for those listeners who don't know you, just tell us a little bit of background about yourself, what you've done in your career to date.

James: Sure, well I've been an entrepreneur in social finance for the last 13 years. My family is Mexican, came to this country, went through a lot of hardship and passed that on to me and that was a defining point in my life growing up and I felt like I always wanted to give back to the community, particularly the one I grew up around.

I was very fortunate, went to grade school, studied at Yale, Stanford for business school and when I was graduating business school I worked on a project to focus on how do we solve this problem of people being underbanked in the Hispanic/Latino community in the US and I really got stuck on this problem of credit.

Now when I think about our mission in the company it's really about providing economic justice. We can come back to that, but that was the driving force for me back then in 2005 and so for
the last 13 years I've been an entrepreneur, I've founded two companies in this fintech space that helps kind of low income people move up the financial ladder. First company which started out of my research project at Stanford Business School, it was called Progreso Financiero, now it's called Oportun and then about four years plus or so ago I started Insikt which is what I'm running now as CEO and Co-Founder.

Peter: Okay, so tell us a little bit about your company and how it's evolved since we last spoke a couple of years ago.

James: Absolutely, so at Insikt we're fighting for economic justice, we believe everyone in America deserves affordable access to capital. The pain point we're focused on right now is that between a credit card which most of the people we serve cannot qualify for, and a payday loan which we see as being kind of a predatory option for folks, there's nothing in the middle and the problem is that income volatility has increased 30%, there's a new normal need for income smoothing, I think.

Ninety billion people have spent money on payday or there's been $90 billion of fees associated in dollars with payday loans; 86% of people can't pay them back on time, the price point is very high and so what we're really focused on is...like I said, the pain point, there's nothing in the middle. So how do we help people solve that income smoothing, get access to capital, but also do it where there's a road to the future and really about building a credit score because there are a lot of folks in this country that are credit invisible.

So at Insikt we're very focused on being that solution as a first step and then longer term, we're really focused on helping those people improve their financial health and we're excited about looking into other products that can solve other pain points. But today, the pain point we're focused on is that gap between a credit card and a payday loan and filling that gap with something that's responsible that we can all be proud of.

Peter: Right, and so how are you actually getting that product to market? Are you doing it through physical locations? I know we're going to talk about your lending as a service piece, but what is the mechanism, is it on a mobile phone? What is the mechanism for getting your product to market?

James: Yes, so what I learned from my last company...I mentioned I founded Oportun, we opened up storefronts in low income communities and I realized the last mile is very expensive and it's not feasible for banks to open up branches in low income communities many times, it's not feasible to invest in that last mile because...unless you're charging really, really high rates, it's very hard to make the math work and that was a problem that we experienced when I was growing Oportun is opening up storefronts was costly and you know, when you're trying to do the right thing and charge people a fair rate and give them opportunity, that last mile became very, very, very expensive and so the way we get our product out there is we created...is really through technology we can open up access points to those that are underserved and live in cash-based cultures and where there's banking deserts. The way we do that is we basically
partners with grocers, specialty insurers, money transfer businesses. We realize that these are places already that our customers that we're trying to serve trust and they go to on a frequent basis.

What we do is we enable those places to take a loan application. And so our technology sits in the cloud and through a web browser an employee at one of those locations can say, hey, welcome to the store, I can now walk you through a loan application process for a small loan that can help you build credit and so that's how we show up. This is new because it hasn't really been done before and this is how we kind of thought about solving that last mile problem of getting into these communities where financial services don't exist today.

**Peter:** Yeah, I remember when we last chatted on the podcast, didn't you say...when you had the idea for Oportun you used to hang out in grocery stores and supermarkets to see if there was a demand for these products so it's almost like you're going back to that original thesis.

**James:** It is, but we're doing it without all of the cost of having our own storefront. You know, what we realized is in cash-based cultures trust shows up in a different way. Historically, we would think of trust and particularly with financial institutions as fancy buildings, nice suits, everything being 4.99% and I think as you and I know, the last year or two a lot of that trust is kind of been put in question by a lot of large institutions, but what's existed is in cash-based cultures trust is different.

It's not, you know, how fancy the building is and what someone wears and their suit. It's going two times a week or a month to a grocery store, it's someone remembering your face, it's someone remembering that hey, it's your daughter's quinceañera this weekend and someone wanting to listen and talk to you about your problems, your hopes, your dreams. It's someone acknowledging you and respecting you. It's deeply personal at that point of contact so I think what we realized is look, that already exists, that trust already exists; how do we harness it in a way that enables access points to taking a loan application, access points to delivering affordable access to capital.

And so that's how we're trying to change the model. Before we opened up our own store to create that trust and then I think what I realized after all these years is, you know, we don't have to recreate the wheel. If we're going to open up 10,000 locations and serve people all across the country with that last mile problem, that trust already exists. Let's just harness it, leverage it and do that through technology so that's what we're doing that's different.

**Peter:** Got it, got it. So then this is your Lendify product, the lending as a service piece...just what I'd like to...maybe you could give us a sense of...we talked about grocery stores. I've also read you're partnering with banks, credit unions and we're going to talk about your CDFI certification in a little bit, but before we get there, I want to get a sense of sort of the breadth of the types of organizations that you're partnering with.

**James:** Yes absolutely, so a lot has changed in the last three years since we spoke Peter, so when you think about how does trust show up in those cash-based systems. They're already out

[www.lendacademy.com](http://www.lendacademy.com)

©2018 Lend Academy. All Rights Reserved.
there for the underbanked in this country; it's all across the map. So we have a few partners that are grocery store providers, you know, they realized over time that in order to get people in the store everyone needs to cash a check and so they started providing check cashing and then they started providing money remittance and so soon they realized they have a whole financing services arm to their supermarket.

So it was a natural place for us to partner and show up in that financial service hub inside those supermarkets where they said, look, we want to offer small loans and so we're enabling them to offer small loans. A lot of our partners came to us and said, look, we know our customers' need this small loan product, we want to give them a responsible product, we already have trust with them, but our problem is we don't know how to do the underwriting, we don't have the technology that can process a loan application, we don't have a way of automating income verification and making it fast and easy so they partner with us.

You know, to answer your question, the example is we have auto insurance providers, we have a lot of money transfer businesses, we have grocers, we even have a few banks and credit unions so in total we now have about 35 companies that we partner with and there's about 2,000 of their employees that are out there offering our product across...we're now up to about 700 storefronts that are offering that product. So most of the people apply in a physical location, face-to-face where they talk to people about their quinceañera, you know, what's happening in their life. They already have established trust and then they're applying for the loan.

We do have a few partnerships that are entirely digital so we have some where you get an e-mail from a company and they let you know about this opportunity and then if you click to reply either on your phone via an SMS or e-mail, you complete our application entirely on your mobile phone, for example. Most of our applications come from those 700 retail points today that we have a partnership with.

Peter: And so are your originating loans yourself without...like under your own brand or is this all third party partnerships?

James: Yeah, these are all third party partnerships so...you know, we realize that these brands already have trust and so we leverage their brand. So when you show up, you learn about hey, this is, for example, we partner with DolEx Dollar Express, it is a money remittance company. So you go to a DolEx store and that's the brand and then DolEx says that they're now offering a small loan product that can help you build credit so when you initiate that application then you learn about Lendify.

Lendify is the name of our kind of enterprise solution, but it's also the name to the customer of the loan provider, and so we do everything, A to Z of processing that application, we decision it centrally, the employee of DolEx is typing in your information, is scanning your paycheck stub, is scanning your proof of address documents, utility bills and all that goes up in the cloud. We then look at that, we analyze it, and we return a decision and if that loan is approved, we fund the loan. We fund the loans and then the loans go on our balance sheet and we take the risk. So we
have these 2,000 people, 700 stores generating loan applications, we decision all of them and take the risk and then they ride on our balance sheet.

Peter: Right, gotcha. And what's your geographical footprint? How many states are you in?

James: Today we're in four states, we're lending in California, Texas, Illinois and Arizona. We're a state by state lender so we haven't employed the kind of sponsoring bank model as of yet and so we're subject to the specific regulations and rules of every state that we operate in. So today that's four states.

Peter: And so are you focused primarily in those regions? Obviously, California, Arizona and Texas have large bank populations...Illinois, I mean, maybe you know better than I do, I don't know whether they do, but are you targeting that or are you targeting sort of more of the demographic sort of footprint? Why those states, I guess?

James: Well why those states, number one is, I think when you look at the underbanked population in the country, it skews pretty strongly to the larger states, California, Texas being pretty large so that's part of the reason is a lot of our national market is in these four states, we certainly intend to expand. We're really actively trying to get into Florida, we'd love to be in New York, solve problems for people in Colorado, New Jersey, Virginia and a few other states, you know, and then one day be national.

But back to your question with these states, look at who we're serving, we're really serving working class people of all types of jobs and backgrounds. We do have an active practice and expertise in serving people who speak Spanish or who are comfortable doing the loan application in Spanish and are Hispanic, you know, in background, but we're a universal provider of credit. We think that this is a global problem of people who need to improve their financial health, who are having tough times, but you know, who have demonstrated moral collateral and have, you know...we believe they'll pay back.

Just because they don't have a FICO score, they have a low FICO score doesn't mean they don't deserve an opportunity. And so we have a specialty in being able to underwrite them and so that could be people of all different ethnic backgrounds, it could be folks who have multiple jobs that are just trying to help their families and move up the ladder and we want to help all of them.

Peter: Okay, okay, so how do you go about...these people don't have a credit score, they don't a whole lot of records at the credit bureaus so what are you doing to underwrite these people and assess their risk?

James: We capture about 2,000 variables in the application process, we ask a bunch of questions in the application that I think separate us from the other providers. We also of course pull all of the records and public information that we can get on someone when they provide us their basic, you know, personal information, but on top of that one thing that is unique is we're also tapping our partners for their data. We think this is kind of what we call like the fourth
dimension of data mining on our customers where pursuant to their...you know, they opt-in to share this information, but having a partner model creates that extra source.

So for example, with DoiEx we're pulling all of your historical money transfer transactions. With another partner, we're pulling all of your credit and debit information. We're working closely with the supermarkets to see if we can start pulling people's purchasing and SKU information and to try and see if these additional digital data footprints on people can be used in underwriting. And so we're pulling a lot of information because as you said, most of our customers, half of our customers don't even have a credit score or have a thin file and so they don't show up the way a traditional applicant would. So we need to look into other sources to try and underwrite them. Our technology is spent on that, to automate that.

**Peter:** Okay, so it's interesting to me because I imagine even in a cash-based system...I'm thinking about the supermarkets. Oftentimes, you get like a discount card that gives you special sales. You can pay in cash and they can still get your purchase history because if you swipe that card then they know who you are and what your purchase is so I can see there would be a treasure trove of data potentially in a lot of these partnerships that I think if you're going direct to the public, you simply can't duplicate that.

**James:** That's right and we bring a lot of value to our partners as well because for example in the underbanked market there's a higher percentage of purchases at the point of sale that are done in cash.

**Peter:** Right.

**James:** What we found is when you have a strong financial services offering like a great loan product...because we take you through a lot of questions and we know where you live, we have to do a lot of work to underwrite you. What we're working on as the next phase with our supermarket partners is providing the customers with a digital coupon where then they take that coupon back to the point of sale in the supermarket and they can then redeem...they can either say I get the $1,200 cash from the loan and then they get the cash handed to them from that coupon, that digital barcode at the point of sale or they could say, you know, I want to go spend some of this money in the store and then the rest they get as like cash back.

So what that's enabling...that actually helps the supermarket a lot too because it enables them to ID that customer at the point of sale and try and understand better their preferences and track them so the data works both ways. What we didn't know when we initially started is that we can actually be an enabler for data analytics for our partners as well which has been pretty cool.

**Peter:** And plus if they've got $1,000 more in their pocket, they're probably going to spend a little bit more at the supermarket than they would have otherwise. So I can see it's certainly a win-win.

**James:** Absolutely.
Peter: Anyway, I want to talk about...before we go much further, I do want to talk about your recent CDFI certification. So maybe before you talk about that process, can you explain for those who don't know what a CDFI is and what it means to get a certification?

James: Absolutely, so the CDFI was created in the Clinton administration under the Riegle Act and basically the thinking back then was...you know, one of our board members, Gene Sperling, who was the NEC Director under Clinton after Bob Rubin and also under President Obama, he was pretty instrumental in the creation of this so I've even quizzed him on this question as well about the history, but basically back then, you know, there was a feeling that...you know, I think similar to today that a lot of banks don't really serve all communities and don't serve them well and there's a lot of communities being left behind.

I mentioned the last mile problem where there's banking deserts in this country and so the thinking was there needs to be a special kind of financial institution, specifically financial institutions that lend money, that lend small business loans and consumer loans that are alternatives to payday or, you know, lending in redevelopment projects, but that there's financial institutions focused on providing capital back into low to moderate income communities across the country as a core mission of theirs. And so there's about a thousand CDFIs now since the creation of the CDFI Fund.

What's interesting, Peter, is that most of them, the vast majority, are not for profit and so we have joined a special community of mission oriented companies and so for us what it means is...you know, it's a noble designation and it enables us to be part of this community. But as we think of this community we also have to ask ourselves the question, let's scale, how do we scale to serve millions of people in this country who need access. And so we present a bit of a new kind of disruptive type of force in general and in thinking about how do we build institutions that can scale.

Two ways that it does help us though that are more within the codes of being a CDFI is banks can partner with CDFIs and be able to fulfill their CRA obligations.

Peter: Right.

James: If they invest in and/or lend to a CDFI or to a security issued by a CDFI, they can use deposit capital to do that because it qualifies as a social welfare benefit under the guidelines.

For us, it unlocks...you know, our biggest challenge as we scale will be the billions of dollars that we'll need to go out and put back in the community, where does that money come from. And so being able to partner with banks, it's a win-win, this is like CRA 2.0, you know, CRA 1.0, I think, and many people would say it hasn't really worked the way it was supposed to. We want to get capital out there and so by being a CDFI it enables banks to either lend to us, invest in our securitizations, and provide capital to us and then we're the experts of figuring out how to underwrite this borrower and lend to the right people in a responsible way with good underwriting and get that capital out to those communities. And so I think it creates a win-win, that's the first part about it.

www.lendacademy.com
©2018 Lend Academy. All Rights Reserved.
The second part is there's a lot of awards and other ways that not only we can partner with banks, but that we can also look through some programs with the government to continue to scale and provide, you know, more capital out to communities. So those are two ways in which the CDFI designation truly helps us.

Peter: Okay, so CDFI is obviously a national certification, I think it's from the Treasury, if my memory serves me correctly, so clearly, this allows you to use this designation across the US, is that correct?

James: That's correct and we're specifically certified for the markets that we have operated in since the beginning so right now, it's California and Texas and then we'll be expanding that, but it is a national certification, that is correct and you are also correct, it is from the US Treasury Department. So like I said, it's a very noble designation.

We feel it's a recognition, a signal to our partners, our borrowers and our investors that our products are truly helping low income communities and that's what we were founded about. It's a rare certification and it sets us apart, it sets us apart...you know, sometimes it's hard. For example there was a recent Economist article written about, you know, credit products that are helping to solve the working poor across the country and it's really hard to figure out, okay, you know, what is actually good for people and helping them and what is not.

It's kind of misty and I said earlier there’s a big gap between, you know, a payday loan and a credit card and how do you figure out who has the right underwriting standards, who is doing the right pricing, who has all of the other noble practices that would qualify as being kind of responsible. I think this designation really helps us to demystify what is truly serving this mission that's helping people so we're very proud to have received this designation and make that more clear.

Peter: Right, right. Okay, so I want to move on a little bit to the investing side of the business or at least where your capital comes from. I know you mentioned bank partners, but I want to...I mean, you’re making these loans in these supermarkets and money transfer places, you said it's coming off your balance sheet so where have you obtained capital that you've been able to put on your balance sheet to lend?

James: We have two sources of capital. One is your traditional kind of credit line/warehouse line so you borrow big credit facilities. From us, historically, Peter, that's been from a hedge fund, Atalaya Capital Management, who's a great partner. You know, they have provided for me the first $100 million when I was building Progreso/Oportun and they were key partners so they came in early. About three or three plus years ago for us here, right when we first made our first loan through Lendify and so they're a partner of ours and that's how we fund.

And then we're currently working on setting up a really large bank facility right now. Certainly the CDFI designation helps with that and so we believe we'll have two or three lenders there that will be, you know, your traditional credit facilities. That's one source of capital. One of the things
that I learned in building Oportun though is that you don't want to have too much concentration risk in your capital providers.

**Peter:** Right.

**James:** If one of them goes away, your whole business can go away and so we've got...if you remember back in the days and I think even from the last podcast, we were securitizing loans from Prosper and LendingClub.

**Peter:** Yeah.

**James:** People were wondering, okay, is that your business or did you guys pivot. You know, that was never really our business and we never really pivoted. It was we wanted to build a securitization marketplace where instead of having 10,000 depositors, because we don't have the benefit of being a bank in that way, we want to have 10,000 investors and we want to crowdfund away this concentration risk so we're diversifying into 10,000 people and those 10,000 can be big institutional funds like JP Morgan Asset Management; they're not a partner today, but you know, just an example, or banks or they can be individual accredited investors. And so we want to enable all of them to invest and be part of not only the financial coupon and buying in through a securitization and investing in our loans, but also the social coupon.

You know, one day I have a vision that LeBron James and some of the big sports figures and actors who come from low income communities will say, look, I'm so proud I bought...you know, I've invested $100,000 in this latest bond issuance because it's going back in my community, it's going back to people that I grew up around, it's helping them build credit and it's really that social coupon. So we're spending a lot of time...you know which we had to kind of test the waters and do the beta testing through Prosper and LendingClub securitizations.

But now I would say, to answer your question, about 85% of our balance sheet today is funded through securitization. So we've created this private, you know, marketplace that we have now done six deals of over $120 million, now $20 to 30 million each that we're doing as much as once a month. It's quite exciting and so to answer your question, we have the credit facilities and we have securitization and that is what is funding a lot of the loans that we're making.

**Peter:** Okay, so I've got to back up a second. You were talking about your individual accredited investors, does this mean you are going to have a vehicle for those people? I know you've had the Prosper and LendingClub stuff for a while, but is this live today, can an accredited investor come on to your website, sign up and start investing in Lendify loans?

**James:** Yes, it's 100% live today. You can't click all the way through on our website and put on your bank information and then get a digital certificate. At some point, it will say call this phone number and so we're going to build some more technology to make that entirely digital, but yes, it is open to all accredited individual investors so we have to verify people are accredited and also institutions.
So today we have a little less than 100 investors, Peter. It's interesting, we've got everything from banks, even Japanese banks that are investing alongside individual accredited investors putting in $100,000 each and a bank putting in $10 million into the same securitization. What makes us different from a lot of the marketplace lenders is...you know, at least with Prosper and LendingClub, you as an individual can invest in one loan; we do not allow that. We basically pool all the loans so there's like 10,000, 20,000 loans in one pool and then we issue the bonds as a securitization and then we crowdfund those bonds so you can have multiple investors in that bond, you know, one of them investing $100,000 and one of them investing $10 million. Those bonds are collateralized by the 10,000/20,000 loans so that's one way it's different.

This is more of a bond securitization product, but it is crowdfunded in a way where absolutely you could have...we have a lot of individual investors and our goal, back to my point with LeBron James is to one day have a social media drive...where we're having people in Boca Raton, we're having people overseas and we're having, you know, a lot of...like what's happened in China, we're having people/individuals investing directly in our bonds that then fund the loans that we make.

Peter: Right, right. Okay, so we're almost out of time, but I just want to pick up on that. What is the minimum investment and what is the coupon on these bonds?

James: So on our latest deal, our A's, the seniors, the coupon was 4% and they have...the cool thing is that they have a duration, a weighted average life of just three to four months because remember Peter, our loans to our borrowers...our average loan size is $1,200 for about 12 months so when you put that into a securitization, the top of the capital stack, the senior bond can pay off in three to five months so that cash flows out pretty quickly. For that kind of duration, we're paying 4%.

The next layer down, we're paying about 7 to 7.5% and then we have a final C class bond that I think we're paying just over 10% on. So depending on what your risk return level is you can buy the C, you can buy a combination of the B and the C or you can just buy the A. What's interesting is we have a lot of credit hedge funds that are actually interested in only buying the A and we were wondering, how could you just buy the A which is a 4% product. And they said, you know, well we have a lot of cash sitting on our balance sheet and instead of buying treasuries or investing in a money market, we can buy your bonds, they're very short duration and we get paid, you know, 400 basis points.

So we've got demand at all levels, it's been pretty fun and we've created the technology that enables us not only to do this and to do these issuances, but also to provide all the data. These are non-rated securitizations and so what we think is look ratings didn't really work. What does work is giving people true transparency and access to the data. So all of that is on our website provided to investors. Look this is the beginning of a lot more, Peter, but we're pretty excited and it's already playing a big role in our success.

Peter: So what is the minimum on these bonds?

www.lendacademy.com
©2018 Lend Academy. All Rights Reserved.
James: Oh yeah, sorry, minimum we think in the future will be $10,000. If someone's going to invest $10,000 we're going to do a lot of work to make sure they're accredited.

Peter: Right.

James: So right now, we've seen most of our individual investors come in at $100,000 and up level.

Peter: Okay, final question, what are your goals here, what's your vision for the Lendify brand? Where are you taking this? Let's look, not like ten years in the future, but maybe over the next couple of years.

James: Number one, so there's 12,000/13,000 payday loan stores, we need to match that. We're going to be in 15,000 to 20,000 locations across the country, we're going to be ubiquitous. If there is a last mile problem in the community or a rural community where there's only the payday lender, but across the street, guess what, there's a supermarket, there's an auto insurance company, we're going to be inside all those other places and they're going to be offering the Lendify loan so that people don't have to go to that payday lender; they can go to a lower priced option that helps them build credit. So we want to be ubiquitous when it comes to building this distribution channel so we're in all of the communities across the country.

Number two, we're thinking about financial health and we don't want to stop at credit. That's the first pain point. We're going to be launching and announcing other products that have nothing to do with credit, but have everything to do with helping this customer build their financial health. That also includes thinking about what else do you offer around the credit product that enables them? You know, do people know even their credit score, how can we make that more obvious to them. And then actual products.

And to give you a little bit of a hint, you know, we really like the investing side. Why is it that you have to be rich to invest? Why is it that you have to have like $1 million and up to do anything with your money? Everyone needs to know, how do I put the money that I have set aside in a place where it's going to grow, it's going to think about my retirement, my kids' future, their college, we want to solve those problems for working class people and I think we'll be the first ones to do that.

And then, finally, Peter, we want to be global. This is not a US problem only; this is a problem in Germany, this is a problem in Spain, this is a problem in Asia and other countries where people are being left behind by those institutions where trust has to be redefined and we believe our model, because we show up in a way that they already trust with partners they know, we can deliver that, and we can deliver it globally.

Peter: Right, right, that sounds fantastic and, you know, I really wish you all the best, James and I appreciate you coming on the show today.
James: Peter, it's been a real honor. I'm looking forward to updating you in three years about all the achievements we've had. I really appreciate it and congrats to you on all your success with Lend Academy.

Peter: Okay thanks James, will talk to you soon. Bye.

One of the things I really like about James and Insikt is that they're doing things that are creative, that haven't really been done before. While there certainly are other companies focused on this underserved population. You know, I really like the way that they have approached this and it makes sense to partner with all of these different retail stores. There's really nobody else doing that in the online lending space today so I certainly applaud James for going that direction.

On the investor side, obviously we'd love to have non-accredited investors investing in opportunities like this, but even for the accredited investors I think it's an interesting product, one that is not easy for an individual investor to get access to.

Anyway on that note, I will sign off. I very much appreciate you listening and I'll catch you next time. Bye.

Today's show was sponsored by LendIt Fintech Europe 2018, Europe's leading event for innovation in financial services. It's happening November 19th and 20th at the Business Design Centre in London. Registration is now open as well as speaker applications. Find out more by going to lendit.com/europe.

(closing music)