



GRAMEEN  
AMERICA

# A DECADE OF EMPOWERMENT

Annual Report 2017

GRAMEEN AMERICA  
IS DEDICATED  
TO HELPING  
ENTREPRENEURIAL  
WOMEN WHO LIVE  
IN POVERTY BUILD  
BUSINESSES TO  
ENABLE FINANCIAL  
MOBILITY.

**16,000,000**

More than 16 million women in the U.S. live in poverty.

**38%**

Women are 38 percent more likely to live in poverty than men.

**90,000,000**

90 million Americans—nearly 27 percent of households—  
are unbanked or underbanked.

**4%**




Women receive only 4 percent of all small business loans  
from mainstream financial institutions.

Photo by: Mark Thompson (Cover)

Sources: National Women's Law Center, Federal Deposit Insurance Corporation,  
U.S. Senate Committee on Small Business and Entrepreneurship



Photo by: Jason Grobstein

- 
 Opens her own flower shop with help from a Grameen America loan
- 
 Expands flower inventory and hires an employee
- 
 Receives her 13th loan, builds savings, and plans to open another business

“

With Grameen America, I feel trusted and more supported. I know they are behind me and I worry less.

**Maria, Flower Shop Owner**

## A DECADE OF EMPOWERMENT

Dear Friends and Partners,

It’s been an incredible 10 years. When we opened our first branch in Jackson Heights, Queens, in 2008, we had no idea that we would be where we are today. We now have 20 branches in 13 cities and have invested nearly \$1 billion in 100,000 women entrepreneurs across the country. And we are scaling quickly; Grameen America is the fastest growing microfinance organization in the United States.

Some doubted that microfinance was needed or would work in the United States, but we’ve seen its profound impact only grow. We recently traveled to several of our branches across the country and met women who had received microloans from Grameen America that are fueling their businesses and helping lift their families out of poverty.

What was a bold dream a decade ago is now reality. And none of this would have been possible without collective action and sustained commitment from our partners and donors. While we celebrate what we’ve achieved, we’re also looking to the future. Over the next decade, we will touch the lives of one million Americans, create 300,000 jobs, and invest \$5 billion in women entrepreneurs. It’s ambitious, but we know we can get there—with your help.

Microfinance has never been more urgent. Even in the richest country in the world, economic inequality persists and the gap is growing. Minority women, especially, are widely excluded from our financial system. And we’ve seen how their lives and businesses are even more impacted during times of natural disaster and crisis.

After the devastating storms and hurricanes last year, we’re helping women and their families in San Juan and Miami get back on their feet and accelerating our plans to open a branch in Houston. By investing in small businesses, we can rebuild these communities and enable those most affected to restore their lives and livelihoods.

With your partnership, we will continue to empower low-income women in cities throughout the United States; together we will create a country where all women and families have a chance to succeed.

Thank you for joining us on this journey—we can’t wait to see what the next decade brings.

Sincerely,

*Andrea Jung*

**Andrea Jung**  
President & CEO  
Grameen America

**Muhammad Yunus**  
Chair, Board of Directors  
Grameen America

# EMPOWERING WOMEN

## Our unique model

Grameen America is distinct from other financial institutions in our approach: in place of collateral and credit history, we use a group-lending model. Our members form small groups of five, which encourage them to repay their loans and provide them with support, motivation, and inspiration to grow their small businesses.



### Group

A woman with a dream finds four people she trusts to form a group.



### Training

Groups learn about loans, savings, and credit building.



### Microloan

Member receives a microloan to start or build a small business, allowing her to increase her income.



### Weekly Meetings

Groups meet weekly to make repayments, continue their education, and build peer support networks.



### Successful Women

With these tools in hand, women increase their incomes, build their credit scores, and create jobs in their communities.



### Continued Support

Women continue in the program and receive larger loans to invest in their businesses.



Photo by: Jason Grobstein



Launches Shadeesha's Sweets to sell her healthy cookies



Uses loan to buy ingredients and to package and market her cookies



Aims to have cookies manufactured and distributed at retail stores



Our weekly center meetings are very informative and unique because everybody there is an entrepreneur. We talk about our successes and our challenges.

**Regina, Cookie Business Owner**

# EMPOWERING LIVES



## 2010

Loruin, a mother of four living in the Bronx, has been baking since she was 18 years old. She joins Grameen America with a microloan of **\$1,500**. She uses the money to grow her small bakery—where she makes Mexican pastries and breads.

## 2012

Loruin is able to hire **two employees** at the bakery to help her at the register and with customers.

## 2014

Her bakery continues to do well. She decides to **diversify** her businesses, and Grameen America's loans allow her to open her own electronics shop.



## 2015

At the bakery, Loruin **expands** her menu from three to six types of bread, growing her business by attracting more customers.

## 2016

With the structured Grameen America weekly meetings and the support of her group, Loruin is able to build a robust **credit score** by learning the foundations of how to become a responsible business owner.

## 2017

Loruin receives a \$12,000 loan from Grameen America. Thus far, we have invested a cumulative total of **\$80,000** in Loruin's businesses. She is working towards opening a third business, her own restaurant, in the next few years.



Now I have created a future for my children. My life has changed completely, and I don't want to stop—I want to keep on expanding my business.

**Loruin**, Bakery & Electronics Shop Owner



Photo by: Jason Grobstein

# 2017 BY THE NUMBERS

**13**  
U.S. Cities

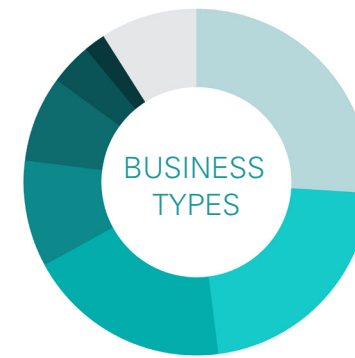
**99%**  
Repayment Rate

**347,000** **82,000** new  
loans in 2017  
Total Loans

**97,000** **11,000** new  
members in 2017  
Women Entrepreneurs Served

**\$820 Million** **\$229M** new  
investments in 2017  
Total Disbursed

## Membership



- Cosmetic Sales (26%)
- Clothing & Fashion (22%)
- Food & Beverage (19%)
- Misc. Sales & Services (10%)
- Health Products (8%)
- Salon & Hair Services (4%)
- Home Décor (2%)
- Other (9%)

**91%**  
Retention Rate

**\$2,300**  
Average Loan Size

## Jobs and Education

**4,104**  
New Businesses Opened in 2017

**55,265**  
Member Training Hours in 2017

**35,404**  
Total New Businesses Opened

**101,128**  
Total Jobs Created or Maintained

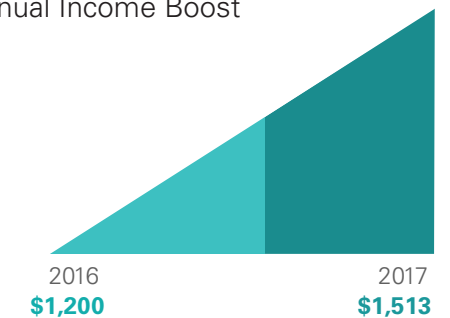
## Financial Growth

**\$6.9M**  
Total Member Savings

**+26%**  
Annual Income Boost

**\$197**  
Average Member Savings

**640**  
Average Credit Score



# EMPOWERING COMMUNITIES

Grameen America now has 20 branches in 13 cities across the country.



## ★ Miami, FL

Grameen America opened its first branch in Miami at the end of 2017, with lead support from JPMorgan Chase & Co., as well as funding from Northern Trust, the Carlo & Micól Schejola Foundation, Whole Planet Foundation, The Miami Foundation, Capital One Foundation, and TD Charitable Foundation. In our first year, we project we will serve 500 women in Miami with more than \$700,000 in microloans.

JPMORGAN CHASE & CO.




## ★ Houston, TX

After disaster strikes, Grameen America offers a long-term solution to help women small business owners get back on their feet. In the aftermath of Hurricane Harvey, we accelerated our plans to open a branch in Houston. With support from Whole Planet Foundation, we now expect to open this location in late 2018, which will serve a large population of low-income women who currently have limited access to the formal financial system.





Photo by: Jason Grabstein

-  Uses her first loan to open her own tailoring school
-  Invests in getting her school accredited in California
-  Plans to offer classes in other trade industries



It's important to dream big, to dare yourself to dream, and to let Grameen America be a part of that dream."

**Irma, Sewing School Owner**

# EMPOWERING INNOVATION

Since it was first established, Grameen America has led a microfinance movement in the United States. Along the way, the organization has been at the forefront of innovation in several areas, pushing the field forward and helping women entrepreneurs build better lives for themselves and their families.

## Employing new technologies

We recognize the major benefits of digital banking—for our members and our staff. With the support of **Apple**, **Mastercard Center for Inclusive Growth**, **Citi Community Development**, **Capital One Bank**, **MetLife Foundation**, and **New York Community Trust**, we completed our multi-year transition to a cloud-based management information system. The new system enabled us to more efficiently scale our services and grow at unprecedented rates, while providing the groundwork to transition our members to fully digital financial transactions. Instead of checks, our members now receive their loans through cards, which are safer, give them full and immediate access to funds, and decrease check-cashing costs. We are also expanding digital options for members to repay their loans.



Mastercard Center for Inclusive Growth



CitiCommunityDevelopment.com



## Enhancing the financial knowledge and well-being of our members

To better equip women to navigate their financial needs, Grameen America launched the Member Development Program in 2017, through funding from the **Robin Hood Foundation**. The program leverages our weekly meetings with members to provide trainings on business, financial literacy, and digital education. Through these sessions, we give our entrepreneurs additional tools to grow their businesses and improve their financial health. Often, this is the first time many of our members have been exposed to these business topics.





## Leading pioneering **on-the-ground** research

Grameen America seeks to ensure low-income women have access to financial services and works to eradicate the barriers they face. To this end, Grameen America undertook three research projects with support from the **W.K. Kellogg Foundation**, **Citi Community Development**, **Whole Planet Foundation**, and **MetLife Foundation**: 1) we worked with Symphonic Strategies to look at reaching wider demographics of women entrepreneurs, and are implementing this work to serve African-American women at our branch in Harlem, 2) we partnered with Common Cents Lab, a research lab at Duke University, to undertake behavioral research to improve our members' financial well-being, and 3) we commissioned the Center for Financial Services Innovation to analyze the current asset-building options available to women in order to help them grow their savings. The findings from this research will inform our work moving forward, enhance our services, and contribute to the field of microfinance.



## Linking financial health to **physical** health

Because financial well-being and physical health are inextricably connected, we deepened our partnership with our sister organization, Grameen PrimaCare, to offer primary health services to our members in New York City. With support from **Medtronic Foundation**, our pilot project Grameen Promotoras leverages our group-lending model and long-term relationships in the community. Health coaches provide the women with basic health screenings, health education, assistance in navigating the health system, and peer support. Thus far, more than 750 women have benefited from these services.

### Medtronic Foundation

## Planning for **the next decade**

In 2017, we set out to review and reframe our five-year organizational growth strategy. We worked with **The Boston Consulting Group**, who helped us explore how to maximize our impact by looking specifically at expanding our loan offerings, enhancing member services and experiences, and redesigning our branch expansion model. Over the course of 2018, Grameen America will further refine this strategy and develop and carry out an implementation plan.



Photo by: Jason Grobstein

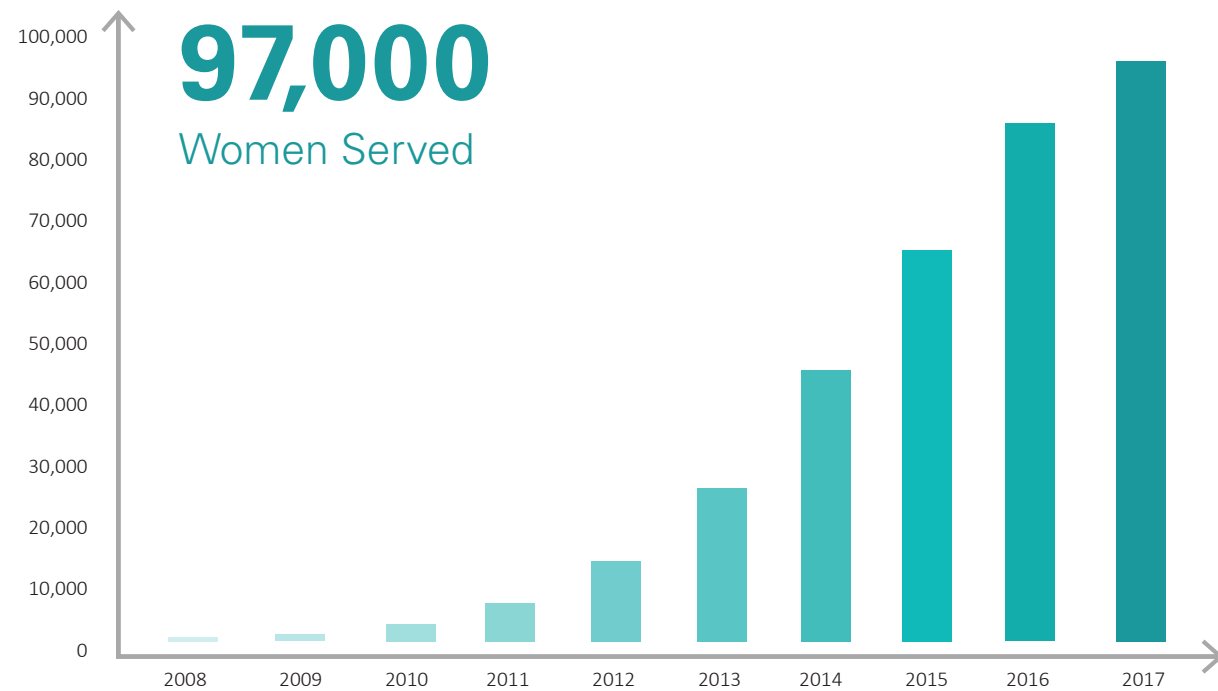
- Uses first loan to restructure and modernize her store
- Hires two employees
- Purchases new computers and phones, which are quicker and more advanced



This program has been an excellent opportunity: the longer I've stayed, the bigger the loans I've been able to receive. I've been able to make meaningful improvements to my business.

**Daniela**, Money Transfer Shop Owner

# EMPOWERING SCALE



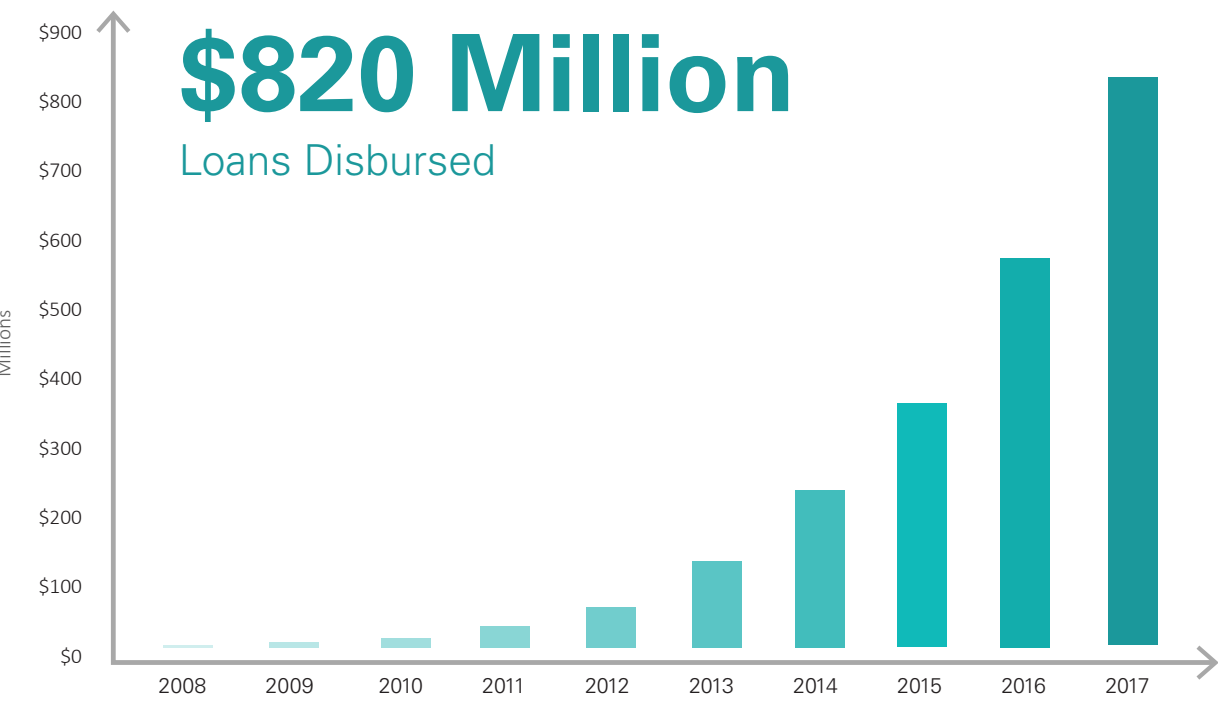
**2008**  
**500 Women, \$1 Million Invested**  
Muhammad Yunus brings his Nobel Prize-winning microfinance model to the United States as Grameen America opens its first branch in Jackson Heights in Queens, New York.

**2010**  
**5,000 Women, \$13 Million Invested**  
By its second year, Grameen America increases membership tenfold and expands beyond New York City with a branch in Omaha.



**2012**  
**15,000 Women, \$66 Million Invested**  
Grameen America expands to several new cities, including Indianapolis, Los Angeles, San Francisco, and Charlotte.

**2014**  
**43,000 Women, \$230 Million Invested**  
The organization is honored at the Clinton Global Initiative's Annual Meeting for expanding to Harlem. Branches open in San Juan, Austin, Boston, and San Jose.



**2016**  
**86,000 Women, \$590 Million Invested**  
A new branch opens in Newark. The organization launches an effort to promote digital financial access.

**2018**  
**100,000 Women, \$1 Billion Invested**  
Grameen America expands its operations in Miami. During its 10th anniversary year, the organization will celebrate investing \$1 billion in loan capital and helping 100,000 low-income women across the country build their small businesses.

# \$250M CAMPAIGN THE FUND FOR HER FUTURE

After 10 strong years, we are looking ahead. The **Fund For Her Future**, which blends philanthropy and impact investing, will enable us to bring new programs and services to our members, provide larger loans to long-term borrowers, integrate new financial technologies into our operations, and spread and deepen our footprint across the country.



## Give with us

Philanthropists can make charitable donations of any size, knowing that their support will help level the playing field for women entrepreneurs. One-time or multi-year commitments will help secure our members' financial advancement and expand our program to reach the 16 million women living in poverty in the United States. With our 99 percent repayment rate, donations continue to be recycled back into our program with a twelve-times return over a five-year period.



## Grant/Loan with us

Foundations and other charitable organizations can sustain and expand our programs through grants. Commercial lenders and foundations can participate through program-related investments and Community Reinvestment Act-related grants and loans.



## Impact invest with us

Impact investors have a unique opportunity to invest. We plan to launch a series of Social Business Funds to finance our growth over the next decade.



Photo by: Mark Thompson

## GRAMEEN AMERICA SOCIAL BUSINESS FUND

The **Grameen America Social Business Fund** is a powerful vehicle that helps deepen our outreach in the communities we serve. To fuel our growth in 2018, our first Social Business Fund raised over \$11 million from a consortium of social impact investors. The Fund's innovative structure included 3 percent annual interest payments, 20 percent first loss guarantee of investments provided by a network of top-tier guarantors, and return of principal targeted after five years.

Our first ever fund of \$11.15M aims to have the following impact in 2018:

- > \$140M disbursed at an average loan size of \$2,400
- > 59,000 cumulative loans to over 26,000 individual women
- > More than 9,600 new businesses created
- > Over 27,200 total jobs created or maintained

### Lead Investors in Grameen America Social Business Fund

Annenberg Foundation  
Austin Community Foundation  
California Community Foundation\*  
Dalio Foundation  
Karen Pritzker

Sara Blakely Foundation\*  
Seabreeze Foundation\*  
Sustainable Communities Fund  
Suzanne Deal Booth

The Miami Foundation  
The Carlo and Micól Schejola Foundation  
Treehouse Investments

\*Guarantors



Photo by: Mark Thompson

## EMPOWERING THE NEXT DECADE

With your support, we will have significant national impact over the next ten years.

# 300,000

U.S. Jobs Created

# 1 Million

Americans Touched By the Program

# \$5 Billion

Loan Capital Invested in Women Entrepreneurs

“

I know of no model that is better than this model— that will fund itself and have that kind of impact on the people who need it the most.

**Ray Dalio**, Founder, Bridgewater Associates

# 2017 KEY FINANCIAL HIGHLIGHTS

Total Assets:

**\$88.5M**

Debt/Net Assets:

**1.23x**

Loan Portfolio:

**\$61.1M**

Organizational Sustainability:

**62%**

Net Assets:

**\$39.3M**

Portfolio at Risk > 30 Days:

**0.28%**

## 2017 Portfolio Milestones

**5**

Five additional branches became sustainable, bringing total to nine

**0.28%**

Achieved lowest ever PAR >30 at 0.28%

**0.2%**

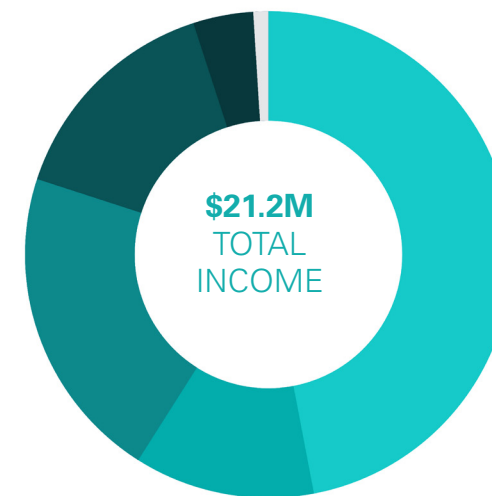
Write-offs since program inception: 0.2% of total disbursed

**\$14,000**

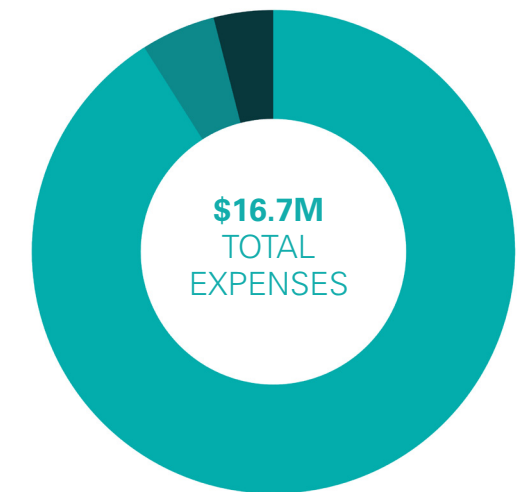
Largest-ever single loan disbursed: \$14,000

Our solid balance sheet supports growth.

(ALL \$M)	2015	2016	2017	YOY
Loan Portfolio	44.5	58.6	61.1	4%
Total Assets	62.3	78.3	88.5	13%
Net Assets	31.0	34.9	39.3	12%
Debt/Net Assets	1.00x	1.20x	1.23x	



- Interest Income (47%)
- Individuals (12%)
- Foundations (21%)
- Corporations (15%)
- Government (4%)
- Other (1%)



- Program Services (91%)
- Fundraising (5%)
- Management and General (4%)

# OUR MAJOR INVESTORS

Our major investors make our work possible. We are grateful for their commitment to our mission.

## FUNDING PARTNERS

Anonymous  
 Annenberg Foundation  
 Anthony & Jeanne Pritzker Family Foundation  
 Antonia Hernández  
 Apax Foundation  
 Apple, Inc.  
 Austin Community Foundation  
 Babinec Foundation  
 Bank of America Charitable Foundation  
 Blair and Cheryl Effron  
 Bridgewater Associates, LP  
 California Community Foundation  
 Capital One, NA, Capital One Foundation  
 Carole and Norman Barham  
 Central Indiana Community Foundation  
 Citi Community Development  
 Column Capital  
 Community Development Finance Institution,  
 a Fund of the U.S. Department of Treasury  
 Community Foundation of New Jersey  
 Dalio Foundation  
 Duke University  
 Edelman  
 Experian  
 Far West Capital  
 Federal Home Loan Bank of San Francisco  
 First National Bank of Omaha  
 Friedman Family Foundation

Fundación Banco Popular  
 Fundación Segarra Boerman e Hijos  
 GE  
 Grameen Research  
 Hope Knight  
 James S. & Merryl H. Tisch Philanthropic Fund  
 JB and MK Pritzker Family Foundation  
 JCPenney Company Fund, Inc.  
 John Megrue, Seabreeze Foundation  
 John S. and James L. Knight Foundation  
 JPMorgan Chase & Co.  
 Jung Family Foundation  
 Karen Pritzker, Seedlings Foundation  
 La Fondation Cuvelier  
 Mahmoud Mamdani  
 MasterCard Center for Inclusive Growth  
 Medtronic Foundation  
 Merrill Lynch  
 MetLife Foundation  
 Michael & Irene Ross Endowment Fund  
 of the Jewish Community Foundation of LA  
 Michael Gould  
 Michael Granoff  
 MK Reichert Sternlicht Foundation  
 Morgan Stanley  
 MUFG Union Bank  
 Paul, Weiss, Rifkind, Wharton & Garrison LLP  
 Peter Keane

PNC Foundation  
 Princess House  
 Prudential Foundation  
 PSEG Foundation  
 Ray Chambers  
 Robin Hood Foundation  
 Scully Peretsman Foundation  
 Silicon Valley Bank  
 Sullivan & Cromwell LLP  
 SunTrust Foundation  
 Synchrony Financial  
 TD Charitable Foundation  
 The Glick Fund, a Fund of the Central  
 Indiana Community Foundation  
 The Hyde and Watson Foundation  
 The MCJ Amelior Foundation  
 The Merancas Foundation  
 The Miami Foundation  
 The New York Community Trust  
 The Rose Hills Foundation  
 The SAM Initiative Social Enterprise  
 The U.S. Small Business Administration  
 Vidar Jorgensen  
 W.K. Kellogg Foundation  
 Wells Fargo  
 Whole Planet Foundation  
 Z. Smith Reynolds Foundation

## LENDING PARTNERS

Annenberg Foundation  
 Austin Community Foundation  
 Austin Lender Consortium  
 Bank of the West  
 BNP Paribas  
 Boston Impact Initiative  
 California Community Foundation  
 Calvert Foundation  
 Capital One  
 Charlie and Kate Hamilton  
 Dalio Foundation  
 Empire State Development Corporation  
 First Financial Bank

First Internet Bank  
 First National Bank of Omaha  
 Foundation for the Carolinas  
 Goodwill Industries  
 Karen Pritzker  
 Kathryn and George H. “Kam” Kronenberg III  
 Lake City Bank  
 Northern Trust Corporation  
 PNC Bank  
 Premier Capital  
 San Francisco Foundation  
 Seabreeze Foundation

Small Business Association  
 Spanx by Sara Blakely Foundation  
 SunTrust Bank  
 Sustainable Communities Fund  
 Suzanne Deal Booth  
 Synchrony Financial  
 The Carlo and Micól Schejola Foundation  
 The Miami Foundation  
 Toby and Melissa Neugebauer  
 Treehouse Investments  
 Upper Manhattan Empowerment Zone  
 Wells Fargo

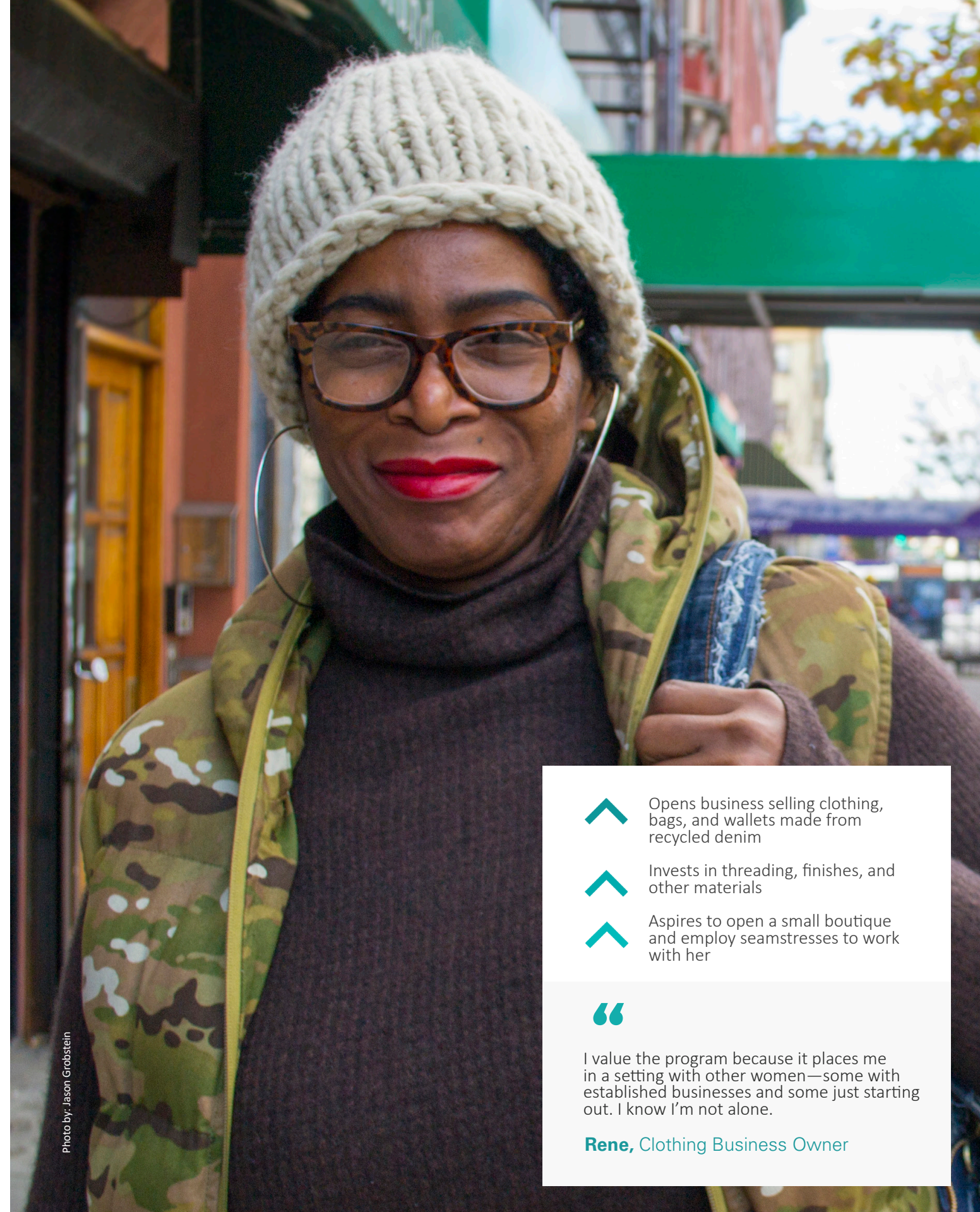





Photo by Jason Grobstein

- 
 Opens business selling clothing, bags, and wallets made from recycled denim
- 
 Invests in threading, finishes, and other materials
- 
 Aspires to open a small boutique and employ seamstresses to work with her



I value the program because it places me in a setting with other women—some with established businesses and some just starting out. I know I’m not alone.

**Rene**, Clothing Business Owner

## BOARD OF DIRECTORS

**Professor Muhammad Yunus, Chair**  
Grameen Bank Founder  
Nobel Laureate

**Michael D. Granoff**  
Pomona Capital, L.P.  
Founder & CEO

**Antonia Hernández**  
California Community Foundation  
President & CEO

**Vidar Jorgensen, Vice Chair**  
World Health Care Congress  
Chairman

**Andrea Jung**  
Grameen America  
President & CEO

**Hope Knight**  
Greater Jamaica Development Corp.  
President & CEO

**Professor H.I. Latifee**  
Grameen Trust  
Retired Managing Director

**John Megrue**  
Apax Partners, L.P.  
Chairman  
Bridgewater Associates, L.P.  
Co-Chairman

**Mahmoud Mamdani**  
Morgan Stanley  
Vice Chairman & Managing Director

**Karen Pritzker**  
Seedlings Foundation  
President

**DIRECTORS EMERITI**  
**Sila M. Calderón**  
Sila M. Calderón Foundation  
Former Governor of Puerto Rico

**Ray Dalio**  
Bridgewater Associates, L.P.  
Founder, Chairman, &  
Co-Chief Investment Officer

## EXECUTIVE LEADERSHIP

**Andrea Jung**  
President & Chief Executive Officer

**David Gough**  
Senior Vice President & Chief Financial Officer

**Mindee Barham**  
Vice President of Development

**Miriam Benitez**  
Vice President of Human Resources

**Shah Newaz**  
Chief Advisor

**Mary Majewski**  
General Counsel

**Marcus Berkowitz**  
Senior Director, Technology & Innovation

**Alethia Mendez**  
Senior Director, Operations and  
Program Strategy

**Tanzila Salahuddin**  
Senior Director, Institutional  
Giving & Strategic Initiatives

**Habibur Chowdhury**  
Senior Director,  
National Branch Operations

**Johanna Avila**  
Regional Director, Northeast Region

**Rashidul Alam**  
Regional Director, South & West Region

**SM Nurul Kabir**  
Regional Director, Central &  
Southeast Region

**Dario Campos**  
Director, Internal Audit

**Andrew Horrow**  
Director, Accounting

**Christine Oh**  
Director, Individual Giving  
& Regional Partnerships

**Jill Monum**  
Director, Corporate  
Partnerships & Engagement

**Abdus Salam**  
Director, Training

**Rajitha Swaminathan**  
Director, Programs

## BRANCH OPERATIONS

**Jackson Heights, NY**  
MD Asaduzzaman

**Bronx, NY**  
Josenia Enriquez

**Union City, NJ**  
Lourdes Aguilar

**Charlotte, NC**  
Ursula Lalone

**San Jose, CA**  
Mariela Cerpas

**Gates Avenue, NY**  
Priscilla Rivera

**Long Island City-Jamaica, NY**  
Noemi Huiracocha

**Newark, NJ**  
Thelma Suarez

**San Juan, PR**  
David Acosta

**Boyle Heights, CA**  
MD Saiful Alam

**Manhattan, NY**  
Ruth Buestan

**Sunset Park, NY**  
Maritza Valencia

**Omaha, NE**  
AKM Mohiuddin

**Austin, TX**  
MD Shah Alam

**Pico-Union, CA**  
Jessica Rivas

**Harlem, NY**  
Latoria Greene

**Boston, MA**  
MD Abu Solim

**Indianapolis, IN**  
MD Mufakkharul Islam

**Oakland, CA**  
Syed Tofazzel Hossain

**Miami, FL**  
Vivan Diaz



Designed by: Jason Grobstein

Photo by: Jason Grobstein

- Seeking a fresh start, moves to Charlotte and receives first loan
- Sells beauty products and goes to cosmetology school
- Opens her own beauty school, one of the top in North Carolina



Grameen America helped me be more organized and taught me how to save money. They made it possible for me to have a better life.

**Monica, Cosmetology School Owner**



**GRAMEEN  
AMERICA**

[grameenamerica.org](http://grameenamerica.org)

 [@GrameenAmerica](https://twitter.com/GrameenAmerica)

 [Grameen America](https://www.facebook.com/GrameenAmerica)

 [GrameenAmerica](https://www.instagram.com/GrameenAmerica)