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# Joining the lender ranks: New Reston group targets veterans, small businesses

## Money

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StreetShares, a new Reston-based online lending platform to connect investors and small business owners, is described by co-founder [Mark Rockefeller](#) as "'Shark Tank' meets **eBay**."

The new company, at 1985 [West Isaac Newton Square](#), has made just over a dozen commercial loans since June totaling about \$200,000, Rockefeller said. Most are to small businesses in Greater Washington, many of them owned by military veterans such as Rockefeller, 37, who served as a U.S. Air Force JAG attorney in Baghdad.

And since you're probably wondering, Rockefeller is part of the same family tree as the famous late 19th century financier, but he's a far branch, "too distant to be meaningful," he told me. "There's no trust fund."

Rockefeller believes traditional lenders aren't providing small loans to small businesses in general, and veterans in particular, the way they did for the World War II generation. Veterans make up 9.1 percent of all business owners, according the Small Business Administration, including many women or those under age 35.

StreetShares received \$1.2 million in May from global microfinance giant **Accion**. Minimum individual investments started at \$25,000. Bethesda StreetShares Group, which includes a about a dozen local investors, contributed \$500,000, the largest share of the total.

[Donald Rogers](#) of Shulman Rogers Gandal Pordy & Ecker PA law firm in Potomac, one of the group's investors, said he was impressed by Rockefeller and partners Mickey Konson and [Ben Shiflet](#).

"It always starts with the people, not the business," Rogers said. "I've seen some great

business plans that didn't make it because they right people weren't involved." Rogers also said StreetShares was "reasonable and conservative in their projections."

Investors can fund any portion of up to 90 percent of the requested loan amount in the online investment auction. StreetShares takes the first 10 percent.

"We want to have some skin in the game," Rockefeller said. "It's a credibility thing for us with our investors."

The borrower's interest rate is a blended average of the lowest bids. The loans are too new to have any default activity, Rockefeller said, but the lender's model projects a rate of 6 or 7 percent. Returns to investors are estimated at 10 to 12 percent.

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## About StreetShares

Lending range : \$5,000 to \$50,000

Terms : One, three and five years

Interest rates : Typically the high teens

Application : Online, including video proposals

Loan source : 90 percent from investors, 10 percent from StreetShares

## The team

[Mark Rockefeller](#): Former U.S. Air Force JAG attorney

Mickey Konson: Former managing vice president of consumer banking, **Capital One Financial Corp.**

[Ben Shiflet](#): Co-founder and chief technology officer, Peaks Technology

## The investors:

\$1.2 million: initial funding from Accion, including \$500,000 from Bethesda StreetShares Group

Mark Holan covers the economy and money — banking, finance, private equity, corporate accountability and professional services.