## Eligible Measures/Use of Loan Proceeds
Eligible borrowers will be qualifying businesses located in the City of Spokane. Loan proceeds will be used to fund working capital during the COVID-19 Pandemic.

### Loan Amount/Term
- Individual loan sizes from $10,000 to $50,000
- Term of 48 months
- Personal guaranty required for anyone owning 20% or more of the business

### Interest Rate
- 5.00% fixed for the life of the loan

### Loan Fee
- Loan fee of 2%, no other closing costs

### General Credit Screening Criteria
**Underwriting Parameters:**
- Median personal credit score of 640 or higher
- For loans $10k to $25k, business must have shown a profit in 2019. For loans $25k to $50k, demonstrated historic (2019) ability to service the proposed debt with an EBIDA Debt Service Coverage Ratio of ≥1.20
- In business for at least 2 years
- No BK, collections, write-offs, foreclosures or repossessions less than 23 months old;
- No late payments on mortgage or vehicles;
- No past due child support or payroll taxes;
- No businesses that operate in the cannabis industry.

### Security
Blanket UCC Filing on all business assets.

### Disbursements
- Disbursed in full at closing

### Repayment
- Payments are fully deferred for first 3 months, then move to interest-only monthly payments for 3 months, then the balance will be amortized over the remaining 42 months with equal principal and interest payments. At Craft3 discretion, there may be an additional 3-month interest only period.
- All payments to be made via ACH withdrawal and due date will be the 15th of the month. Craft3 will waive late fees on payments; NSF fee is $75.00

### Prepayment
There are no prepayment penalties; loans can be repaid at any time

### Loan Process Steps for the Borrower
- Complete Craft3 Business Loan Application and provide the following:
  1. 2018 business tax return
  2. 2019 business tax return - or 2019 FYE financials if tax returns not filed for 2019
  3. Completed Craft3 Business Loan Application form
  4. Other items as deemed necessary during underwriting

### Qualifying Measures:
Businesses located in the City of Spokane with the demonstrated ability to be viable and sustainable prior the COVID-19 pandemic and economic downtown.