



EXODUS

LENDING *Lending Model*

Exodus Lending uses a fair lending model to create a pathway from economic exploitation to affordable credit.

Here's how it works:

Repayment

Participants repay monthly over at least 12 months. All loans issued by Exodus Lending are 0% interest.

Funds received from repayment are used to provide new loans for incoming participants.

Our program benefits include monetary incentives for qualifying participants and credit reporting to the three major credit bureaus.



Receive Investment

Investors provide Exodus Lending a multi-year, low- or no-interest loan (min. \$5,000 for two to three years) to use for our lending programs.



Lending

Exodus Lending provides no-interest, no-fee loans to qualified Minnesotans.

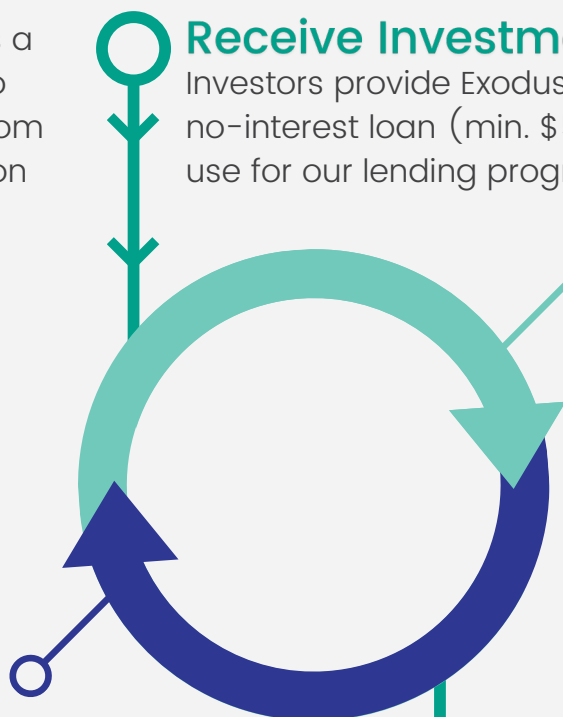
- **Refinancing:** We pay off up to \$1,500 of high-interest payday, pawn, auto title, or installment loans.
- **Resiliency:** We lend up to \$1,200 to use for emergencies or essential expenses.



Return Investment

After the investment term is complete, Exodus Lending returns the total investment and any interest back to the investor.

Investors can also reinvest their loan or donate to the loan pool or the organization at this time.



Loan Pool FAQs

- **Where do you get your money to lend?**

Exodus Lending's loan pool is funded through low- or no-interest investment loans, ongoing repayments, a few restricted grants, and unrestricted start-up funding. The loans are for multiple years, with most being for two to three years.
- **Why do you use a revolving loan pool model?**

We use this model because it is sustainable and fosters a sense of community and accountability for our participants and our investors who both see it as a way to give back to others.
- **Why do you not charge interest?**

Our Board, staff, and stakeholders agree that charging interest does not align with our values and mission. We do not believe the journey out of predatory debt and toward financial stability should include additional costs to borrowers.
- **What happens when a participant defaults?**

When a participant is unable to repay the loan, Exodus Lending writes off the debt and refunds the loan pool using general operating funds. We have a budgeted loan loss reserve for this purpose.
- **How does Exodus Lending sustain itself?**

Our revolving loan pool is sustained primarily through ongoing repayments. Exodus Lending generates income for our general operating budget through contributions from a variety of sources, including individual donors and foundations.
- **Why invest in Exodus Lending?**

Investments into Exodus Lending's loan pool directly and positively impact low-income, credit-limited Minnesotans. Between 2015 and 2022, Exodus Lending used our loan pool to refinance more than \$501,000 in predatory debt. In doing so, we estimate we have saved Minnesotans more than \$1.5 million in interest and fees that they would have paid to predatory lenders over a year's entrapment.

Questions?

Contact our Executive Director, Anne Leland Clark,
by email at director@exoduslending.org or call 612-615-0067 ext. 2.