



CDFA DEVELOPMENT FINANCE WEBINAR SERIES

**THE BROADCAST WILL
BEGIN AT 2PM EASTERN**

Submit your questions in
advance using the chat box

Exploring EC-Tech
(Equitable Capital Technology)
in Development Finance

Exploring EC-Tech in Development Finance



Ariel Miller

Director, Research & Technical Assistance
Council of Development Finance Agencies
Columbus, OH



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CDFA DEVELOPMENT FINANCE **WEBINAR SERIES**



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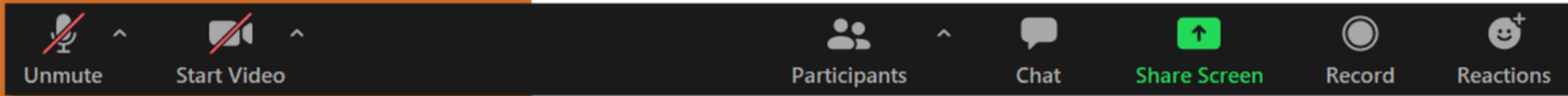
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**Submit your questions by
using the chat function!**



Panelists

Toby Rittner

President & CEO
Council of Development Finance Agencies

Peter Truog

Co-Founder, Presta

Leopoldo Peña

Co-Founder, Presta

Everett Sands

Chief Executive Officer, Lendistry

Patrick Davis

Senior Vice President of Strategy
Community Reinvestment Fund, Inc.

Brad McConnell

CEO, Allies for Community Business

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Exploring EC-Tech in Development Finance



Toby Rittner

President & CEO, Council of Development Finance Agencies
Columbus, OH

CDFA's EC-Tech Initiative



- Comprehensive solution for DFAs working to implement stronger lending programs for minority business owners
- EC-Tech financing solutions use technology platforms to drive investment & unlock capital
- EC-Tech creates new lending environments that proactively reach underserved minority business owners

>> [Learn more about this initiative](#)



Exploring EC-Tech in Development Finance

Peter Truog

Co-Founder, Presta
Cleveland, OH



Exploring EC-Tech in Development Finance



Leopoldo Peña

Co-Founder, Presta
Cleveland, OH



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Presta

End-to-end lending software for
commercial and small business lenders

Presta's lending platform helps lenders accelerate their lending process and reach more borrowers.

Product Overview



In over 70 conversations with lenders, they have shared that they:

- 1 Rely on disjointed software tools that don't talk to each other and slow down their process
- 2 Have outgrown their paper-based, manual processes
- 3 Spend too much time on data consolidation and personalized data analysis during underwriting
- 4 Lack a central location to share borrower relationship history with their team members
- 5 Struggle to collect documents from borrowers and other stakeholders
- 6 Rely on expensive 3rd party legal providers to fill out closing contract templates

These learnings directly inform the development and vision for Presta

Applications

✉ INVITE TO APPLY

No applications.

Organization Details

✎ EDIT

VIEW INTAKE FORM RESPONSES

Desired Loan Amount

\$15,000

Website

www.calliescoffeeshop.com

Industry

Restaurant

Mailing Address

3214 W

Chica

Descri

—

SHOW

Con



Att

No attachments. Files you upload in notes will appear here.

Build better relationships with a team-wide CRM

- Integrates with your email
- Auto-logs software interactions
- Auto-reminders to log notes or follow up
- Individual lender pipelines
- Team-wide pipeline analytics
- Attachments, applications, and interactions all stored in one place

Notes & Interactions + ADD NOTE

Landon Lawson invited Callie Chen to apply for the Chicago Small Bu... — Jul 15, 2022

📞 You logged a call with Callie Chen Created Jul 15, 2022 ⋮

Callie and I had an initial conversation about how she would use the loan to help her with her coffee shop. We decided that she should apply for the Chicago Small Business Loan.

✉ Email From: <callie@calliescoffeeshop.com> ← Sent Jul 8, 2022 ⋮

Subject: Thanks For The Inquiry, Let's Schedule a Meeting

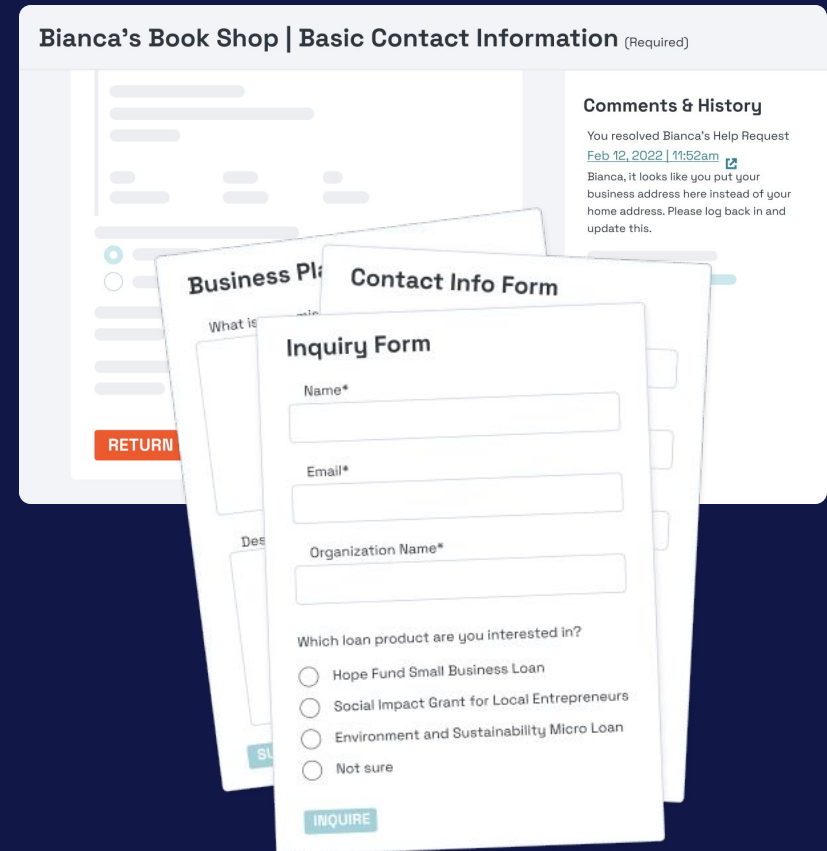
Hello Landon, yes I can meet at 9:30am my time on July 15th. Thank you, Callie

Callie Chen submitted an inquiry form — Jul 7, 2022



Create a modern lending experience with digital intake and an intuitive borrower portal

- Customizable form building to mirror your existing process
- Digital intake to accelerate top-of-funnel
- Ease information gathering with accounting and PoS integrations
- Automated “ticklers” to reduce abandonment
- Guides borrowers with a resources section
- Review, comment on, and return forms within a single interface
- Review application history in a single, comprehensive log



Bianca's Book Shop | Basic Contact Information (Required)

Comments & History

You resolved Bianca's Help Request
[Feb 12, 2022 | 11:52am](#)

Bianca, it looks like you put your business address here instead of your home address. Please log back in and update this.

Business Plan

What is your business plan?

Contact Info Form

Inquiry Form

Name*

Email*

Organization Name*

Which loan product are you interested in?

Hope Fund Small Business Loan

Social Impact Grant for Local Entrepreneurs

Environment and Sustainability Micro Loan

Not sure

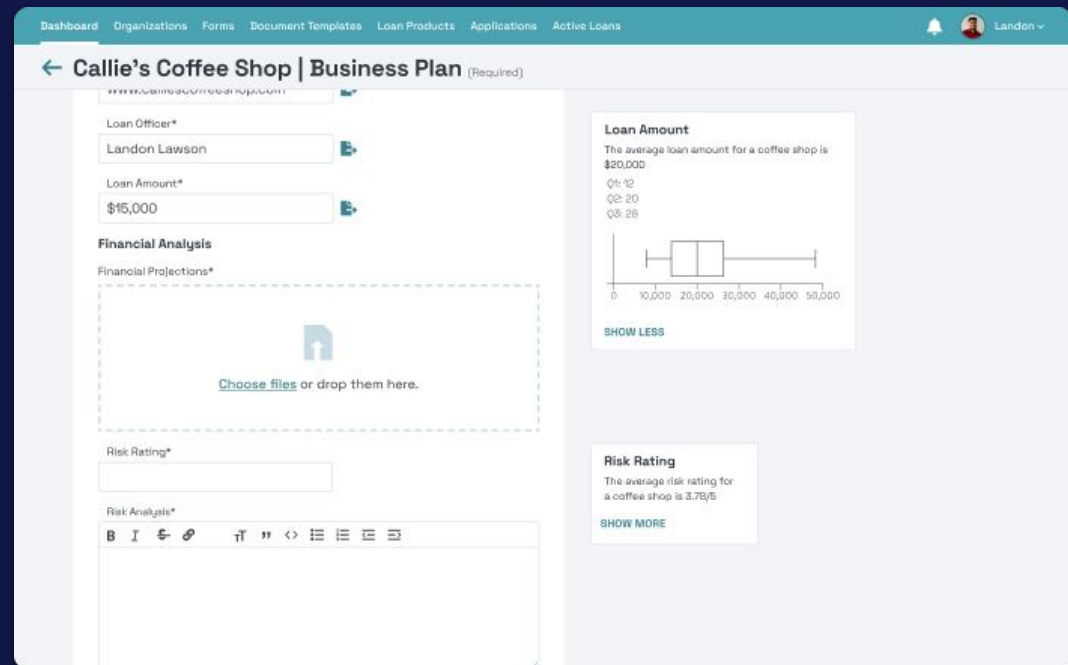
RETURN

INQUIRE



Supercharge your spreadsheets with suggested comparative data analyses

- Integrate your existing spreadsheets within Presta's workflow
- Pre-fill certain inputs with data already provided by applicants
- Strengthen credit reviews with comparison data from other lenders



Build and sign closing documents on your own without any third parties

- Accelerate the process with e-signature optionality
- Pre-fill information into existing templates to reduce error and speed up document generation
- Load custom, third-party forms into the borrower's secure document storage locker

Callie's Coffee Shop | Loan Agreement (Required)

Required Fields

Loan Amount (Written): Fifteen thousand

Loan Amount (Numeric): 15,000

Date Prepared: 11/08/2022

Organization Legal Name: Callie's Coffee Shop

Borrower Mailing Address: 3214 Walnut St. Suite 200 Chic...

Lender Legal Name: Greenleaf Bank, Inc.

Lender Mailing Address: 121 Hanson Ave. Floor 3 Chicago...

First Payment Due Date: 12/02/2022

Day of Month Payments Due: 2nd

Loan Amount Fifteen thousand Dollars (\$ 15,000)
Date 11/08/22

I. THE PARTIES. For the above value received by Callie's Coffee Shop with a mailing address of 3214 Walnut Street, Suite 200 | Chicago, Illinois 60607 (the "Borrower"), agrees to pay Greenleaf Bank, Inc. with a mailing address of 121 Hanson Avenue, Floor 3 | Chicago, Illinois 60607 (the "Lender").

II. PAYMENT. This agreement, (the "Note"), shall be due and payable, including the principal and any accrued interest, once per month beginning on 12/02/2022, and payment is due on the 2nd of every month until the balance is paid. All payments made by the Borrower are to be applied first (1st) to any accrued interest and then to the principal balance. The total amount of the loan shall be due and payable on 01/02/2024.

III. INTEREST. The Note shall bear interest at a rate of Four percent (4%) compounded annually. The rate must be equal to or less than the usury rate in the State of the Borrower.

IV. PREPAYMENT. The Borrower has the right to pay back the loan in-full or make additional payments at any time without penalty.

V. REMEDIES. No delay or omission on part of the holder of this Note in exercising any right hereunder shall operate as a waiver of any such right or of any other right of such holder, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion. The rights and remedies of the Lender shall be cumulative and may be pursued singly, successively, or together, in the sole discretion of the Lender.

VI. EVENTS OF ACCELERATION. The occurrence of any of the following shall constitute an "Event of Acceleration" by the Lender under this Note:



Automate routine follow-ups to focus team time where it counts

Dashboard Organizations Forms Document Templates Loan Products Applications Active Loans

← Callie's Coffee Shop | Chicago Small Business Loan

Next Payment

Remaining Payment Balance
\$651.37

Total Payment Amount
\$651.37

Due Date
Apr. 2nd, 2023

Overall Loan

Remaining Loan Balance
\$11,973.02

Principal Amount
\$15,000

Due Date
Nov. 2nd, 2024

Pending Payments

Type	Amount	Date	Bank Account	Name
Monthly Payment	\$651.37	04/02/2023	Capital One Checking	—

Payment History (2 payments) ✓

Type	Amount	Date	Bank Account	Name
Monthly Payment	\$651.37	03/02/2023	Capital One Checking	—
Monthly Payment	\$651.37	02/02/2023	Capital One Checking	—

Remaining Payment Schedule (22 payments) ✓

Resources & Documents

Primary Contact

Callie Chen
Founder & CEO
callie@callescoffeeshop.com
610-621-6894

[REPORT CREDIT SCORE](#)

Reports MANAGE REPORTS

Choose files or drop them here.

- Q1 2023 Income Statement.pdf
Added by Callie Chen
- Q1 2023 Balance Statement.pdf
Added by Callie Chen
- 2022-Year End Financials.pdf
Added by Callie Chen

VIEW ALL

Monthly Statements

- 03/2023.pdf
- 02/2023.pdf
- 01/2023.pdf

- Auto-sends borrower monthly statements
- Auto-reminds borrowers of payment & document due dates
- Alerts lenders of late payments
- Integrations with accounting and PoS provide real-time financial information
- Offers storage for documents collected in servicing



Presta is built with and for financial institutions

“It’s almost as if you have bugged our office and built solutions to so many of the frustrations and inefficiencies we don’t have the time or expertise to address ourselves.”

-Loan Officer managing small business, mortgage, and personal loans in Montpelier, VT

The inspiration for Presta stems from our experience building tech to increase access to capital.



Leopoldo Peña, CEO
leo@letspresta.com



Peter Truog, COO
peter@letspresta.com



Exploring EC-Tech in Development Finance

Everett Sands

Chief Executive Officer, Lendistry
Brea, CA



lendistry

lendistry Questions? Contact Us 213-555-1212

Let's get started with your application (California Small Business Relief Grant Program) Collapse All Sections

First Name *
Marisol

Last Name *
Testcase

Email Address *
test-careiefgrant@yopmail.com

Confirm Email Address *
test-careiefgrant@yopmail.com

Owner cell Phone *
123-456-7890

Confirm owner cell Phone *
123-456-7890

Business Name *
Test Company

Zip Code of Business *
92821

I accept the SMS/Text Policy

CONTINUE

Owner Details

Owner First Name *
Marisol

Owner Last Name *
Testcase

Owner Email *
crgdemo@yopmail.com

Owner Telephone *
123-456-7890

Owner Address (Please do not enter PO Box) *
220 Locust Ave

Owner Address 2 (Please do not enter PO Box)

Owner City *
Anchill

Owner State *
Missouri

PARTNERS

Access to massive, underserved small business lending market

- » Adaptable system providing **white-label** and **customized** partnership programs
- » Robust regulatory and compliance framework

CUSTOMERS

Differentiated technology platform with multiple product capabilities

- » Intuitive online application process and **best-in-class** customer portal
- » **Simple, fast origination process** providing reliable financing solutions
- » Predictive analytics broadening customer outreach

Competitive Advantages

Adaptable
to multiple
financial
products

PaaS

Scalable

Rapid
Adaptation



California Dream Fund

The CA Dream Fund seeds entrepreneurship by providing new small business owners with technical and financial assistance. Eligible participants can apply for a grant up to \$10,000, powered by Lendistry, when their training is complete.

[Learn More](#)



New York State COVID-19 Pandemic Small Business Recovery Grant Program

Created to provide flexible grant assistance to currently viable small businesses, micro-businesses and for-profit independent arts and cultural organizations in the State of New York who have experienced economic hardship due to the COVID-19 pandemic. Lendistry is the sole entity designated as the Administrator of the program.

[Learn More](#)



Loan & Grant Development

Lendistry has created a customizable online portal that enables a faster and more widely accessible application process for the deployment of capital to small and medium-sized business owners.

Scalable Platform and Program Development	Marketing	Validation/Fraud Protection	Backend and Customer Service Support
<ul style="list-style-type: none"> Tailored Branding Program and Process Development Custom Application Collaboration with Local Partners Landing Page Creation and Management Collection of Documents 	<ul style="list-style-type: none"> Data Analysis and Reporting Marketing Collateral 	<ul style="list-style-type: none"> Validation of Documents Complete Underwriting Scorecard Creation (if applicable) 	<ul style="list-style-type: none"> Call Center Sales Team Disbursement



On-Demand Education

Lendistry's on-demand courses focus on helping small business owners achieve the technical skills they need to successfully manage their businesses in each stage of growth.

Program Development	Validation	Backend and Customer Service Support
<ul style="list-style-type: none"> Platform Customization Courses Focused on Developing Technical Skills to Support Business Growth Landing Page Creation and Management 	<ul style="list-style-type: none"> Certificates of Completion Data Analysis and Reporting 	<ul style="list-style-type: none"> Account Set-Up and Login Course Management and Status Updates

On-Demand Classes to Help Your Business Grow and Thrive.

Currently Available Classes

- Web Design: WordPress
- Web Design: Shopify
- Web Design: Squarespace
- Excel for First Time Users
- Take Excel to the Next Level
- Introduction to Microsoft Word
- PowerPoint Basics: Creating Amazing PowerPoint Presentations
- Create a Professional Video in PowerPoint
- Introduction to SharePoint
- Facebook for Business
- Instagram for Business
- Email Marketing
- Marketing Your Professional Services Business
- Using HubSpot/CRM
- How to Create a Poll: SurveyMonkey
- Introduction to Financial Accounting
- Introduction to Managerial Accounting: Decision Making for Managers
- QuickBooks for Business
- Understanding FICO® Scores and How They Affect Your Business
- Website Building 101: The Platforms, Tools and Resources You Need to Succeed
- Raising Money for Your Business
- Technology for Small Businesses
- Speaking and Connecting with Customers
- Customer Journey
- Communicating Cohesively as a Team
- Building a Successful Team
- Trusting Your Approach & Knowing Your Worth
- Building Relationships with Influencers
- The Legal Documents You Need Before Starting a Business
- Business Planning: A Step-By-Step Guide from Concept to Completion
- Which factors of Your Business to Focus on and How to Manage Them
- Surviving Business Taxes: Creating a Strategy, How to Pay, and Why It Matters
- Adjusting Your Business Strategy During Covid-19
- Reframing Your Mindset for Success
- Marketing in a COVID-19 Environment
- How To Keep Your Business Safe With Cybersecurity
- How to Draft Financial Statements and Create Proforma Data
- How to Minimize Expenses While Maximizing Your Business Value
- Digital Transformation Made Simple
- Insurance Matters: Insurance Policies and How They Protect Your Business
- HR Fundamentals for Small Businesses
- The Best online Applications to Get You and Your Business Organized
- Customer Service Excellence: The Keys to Connecting With Your Customers
- Creating a Good Work Environment To Attract and Retain Employees

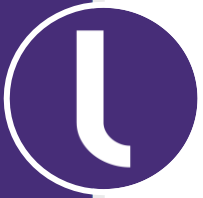
Thank You!

Everett K. Sands

CEO
everett@lendistry.com
714.869.6220

Kerrington Eubanks

SVP, Strategic Partnerships
kerrington.eubanks@lendistry.com
626.319.7193



Exploring EC-Tech in Development Finance



Patrick Davis

Senior Vice President of Strategy, Community Reinvestment Fund, Inc.
Minneapolis, MN



**A just economy that
works for all.**

CRF
USASM








A Track Record of Transformative Community Impact


Improving lives and strengthening communities for over 30 years

Originated by CRF

 **\$3.5 billion**
in financing  **9,300+**
small businesses

 **156,000+**
jobs created or retained  **63%***
Diverse small businesses


 **56%**
Located in low-income communities  **57%***
BIPOC-owned


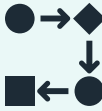
 **44%***
Woman-owned

*self-reported data beginning 2011

Originated by Partners

 **\$207 million**
in financing  **4,455+**
small businesses

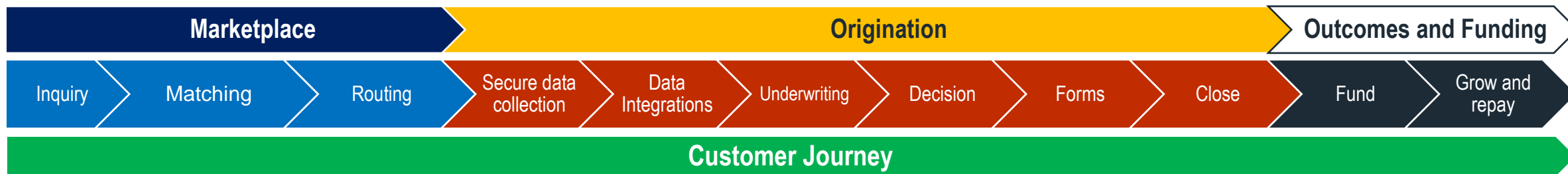
 **\$62k**
Average loan size  **69%***
Diverse small businesses

 **98**
Partners served  **\$7 billion**
originated through SPARK

*self-reported data beginning 2019



CRF offers a scalable lending services platform



Connect **2** Capital

- 90+ CDFI community partners
- 100+ small business loan products
- Multiple bank partnerships

 **SPARK**
Loan Origination Simplified

- 35+ lending partners
- Over \$10 billion in loans originated
- Offering \$10k micro loans → \$20M comm. loans
- Advanced product infrastructure to support scale

 **CRF USA**  **LOAN SERVICING SOLUTIONS
CAPITAL SOLUTIONS**

- Build, deploy and manage structured funds
- Rated S&P Servicing Operation
- Master Servicer capacity
- Investor reporting and fund management



What is Connect2Capital?

Connect2Capital

Connect2Capital is an online marketplace that connects small businesses to a network of mission-based lending partners.

- 70+ CDFI community partners
- 60+ small business loan products
- 3 bank partnerships

Connect2Capital

[Small Businesses](#)
[Community Lenders](#)
[Financial Institutions](#)
[Resources](#)

The Perfect Loan for Your Small Business is Out There

Let's find it—together.

When traditional funding is out of reach, we'll make sure your dreams aren't. Our community of mission-driven lending partners is here to bridge the gap between where you are and where you want to go.

Connect to responsible lending, connect to confidence, Connect2Capital.

[GET CONNECTED TO FUNDING](#)

[Have what you need to apply? Find out here.](#)

Dashboard Reports **Products** Notification Center Resources Settings

Products [Export](#) [Add Product](#)

Product Name	Owner	Loan Type	Last Modified	Tags	Matches	Funded
Chicago Small Business Resiliency Fund	Patrick Davis	Term Loan	Jun 5th, 2020		6,558	\$44m
CRF SBA 7(a) Loan	John Bodnar	Term Loan	Oct 2nd, 2020	Owner: JB	12	\$0
CRF SBA 7(a) Loan	Gary Holmquist	Term Loan	Oct 2nd, 2020	Owner: GH	15	\$0
CRF SBA 7(a) Loan	Jennifer Ericson	Term Loan	Oct 2nd, 2020	Owner: JE	133	\$350k


Connect2Capital Business Funding Guide Help ?

Hi, I'm Lisa and I'll help you find funding.

How much do you want to borrow?

It's okay to give an estimated loan amount.

CONTINUE

 **An award-winning platform that helps everyone win**
Connect2Capital named the winner of the Small Business Leader Award by Goldman Sachs for creating a collaborative, industry-wide technology solution to better serve disinvested communities.



Inquiry



Matchmaking



Routing

Connect2Capital
Business Funding Guide
Help ?

We've matched you with our best lenders.

What's Next

- 1 Review the information for your matches
- 2 Select the product that best meets your needs and click "Connect"
- 3 Your provided information will be transferred to the lender and you will hear from them within two business days

Match Factors

Time in Business ^
2 - 3 Years

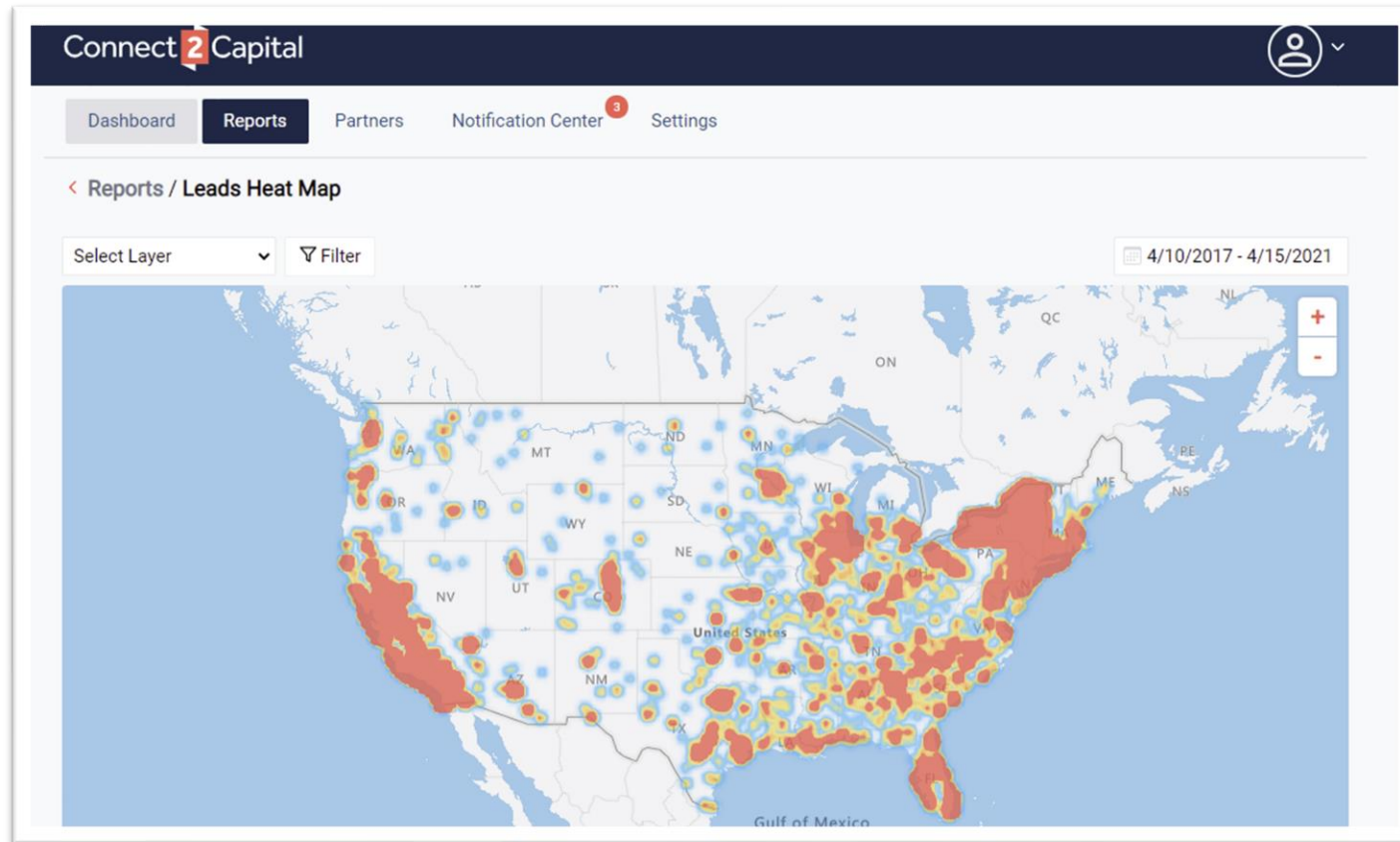
Personal Credit Score ^
700+

Your Loan Request Amount:

Sort by: APR v [Reset](#)

Kiva US Loans	APR*	Loan Term	Time to Fund	
kiva	0%	12-36 Months	7-45 Days	CONNECT
Details				
WomenVenture Small Business Loan	APR*	Loan Term	Time to Fund	
WOMEN VENTURE	6.75-9%	1-5 Years	15-30 Days	CONNECT
Details				
Small Business Loans	APR*	Loan Term	Time to Fund	
NDC Neighborhood Development Center	7.25%	1-5 Years	10 Days	CONNECT
Details				

Inquiry
Matchmaking
Routing



Inquiry



Matchmaking



Routing

What is SPARK?



SPARK is an end-to-end, configurable technology platform for lenders and service providers seeking to minimize the complexity of small business loan origination.

- Over \$7 billion in loans originated
- Advanced product infrastructure to support scale
- Public benefit corporation, Subsidiary of CRF



Application Dashboard

Ty Webb

Loan Request Summary

Loan Purpose: Refinance existing business debt

Details:

Loan Information	Rate Information	Payment Information
Loan Number: 350108 Processing Method: Preferred Lending Program Amount: \$1,400,000 Equity Injection: \$100,000.00	Rate Type: Variable Interest Rate: 7.7500% Adjustment Period: Quarterly - Calendar Interest Only Periods: 6	Monthly Payment Amount: \$10,645.68 Term: 294 months Amortization: 294 months

Use of Proceeds

Intended Use	Amount
Business Acquisition - Asset Purchase	\$1,000,000.00
Refinance of existing note	\$200,000.00
Working Capital	\$100,000.00
Purchase Equipment	\$48,000.00
Guaranty Fee	\$36,875.00
Closing Costs	\$15,125.00



Thank you!

www.crfusa.com



Exploring EC-Tech in Development Finance



Brad McConnell

CEO, Allies for Community Business (A4CB)
Chicago, IL

Our Vision and Mission



Allies for
Community
Business

Supporting small businesses.
Strengthening communities.



Our vision is that entrepreneurs from any background can start and grow businesses that create generational wealth for their families and communities.

Our mission is to provide the capital, coaching, and connections entrepreneurs need to grow great businesses that create jobs and wealth in their communities.

Loans



Overview

Allies for Community Business offers term loans and lines of credit between \$500 and \$100,000 to early, emerging, and established businesses in Illinois and Indiana.

We are a little different from other lenders: we do not use credit scores and do not put liens on your personal assets. Instead, we evaluate how well you have managed your debts over the past two years and how much cash you have available to make monthly loan payments to us.

Terms and policies

We can approve loan requests in as little as 24 hours for eligible borrowers, but we often will ask you follow-up questions that will take additional time.

We charge 3% in interest and 3% in closing fees.

Our standard term is 24 months, but we can adjust that if required.

Apply for a loan at a4cb.org/loans

Loans up to \$25K

EITHER

STEP 1 : Credit Report

- For the past 24 months, no bankruptcies or collections larger than \$500?
- For the last 12 months, at least one open line and all payments on time?
- Today, at least 25% available to borrow on all open revolving credit?

Loan = 1.5x the largest amount borrowed and repaid over the last 12 months (excluding student loans)

OR

STEP 2 : Financial Statements

- Loan max where debt service coverage ≥ 1.25 using tax returns
- Loan max where debt to income ratio $\leq .35$ using bank statements
- Loan max where DSC ≥ 1.25 and DTI $\leq .35$ using financial statements

OR

STEP 3 : Credit Builder

Loan \leq \$2.5K for otherwise ineligible borrowers, if all debts are current.

Loans between \$25K and \$100K

BOTH

STEP 1 : Credit Report

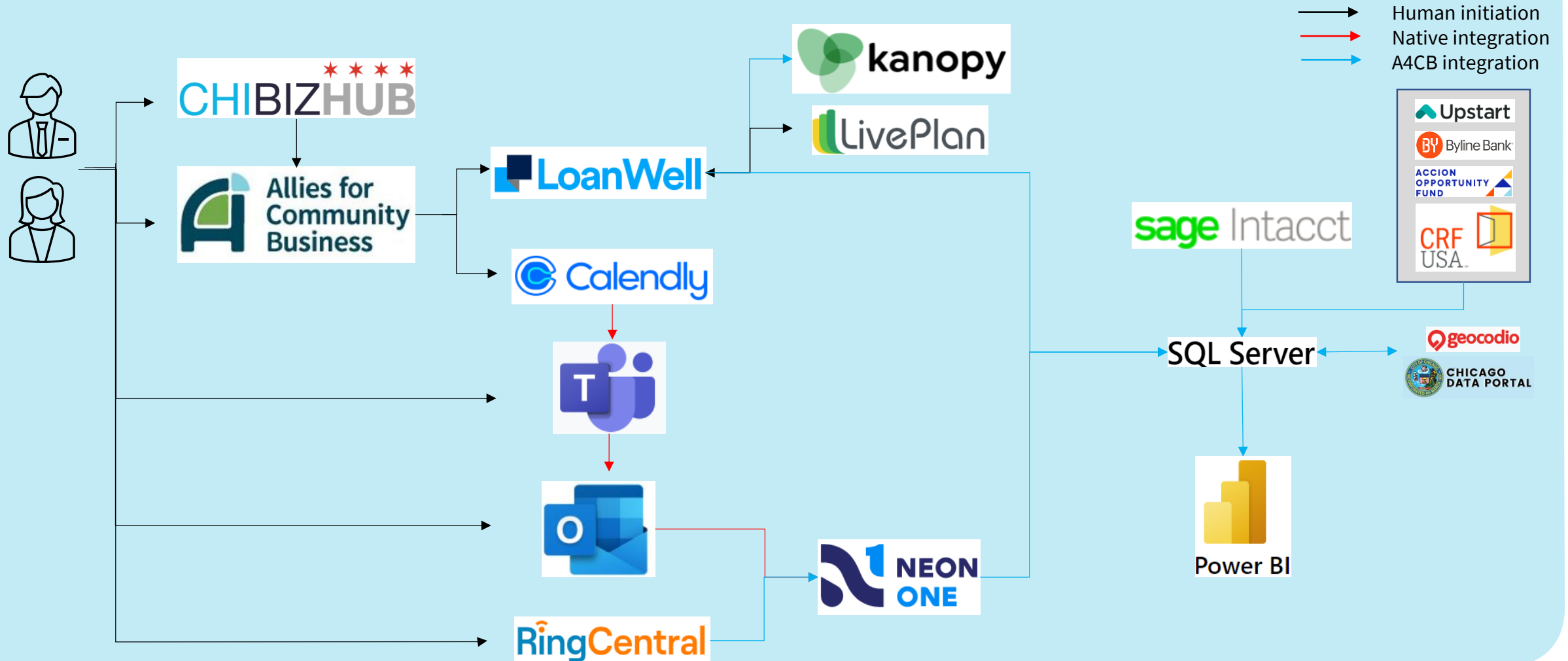
- For the past 24 months, no bankruptcies or collections larger than \$500?
- For the last 12 months, at least one open line and all payments on time?
- Today, at least 25% available to borrow on all open revolving credit?

AND

STEP 2 : Financial Statements

- Loan max where debt service coverage ≥ 1.25 using tax returns
- Loan max where debt to income ratio $\leq .35$ using bank statements
- Loan max where DSC ≥ 1.25 and DTI $\leq .35$ using financial statements

Our Technology Stack





Allies for
Community
Business

Questions?

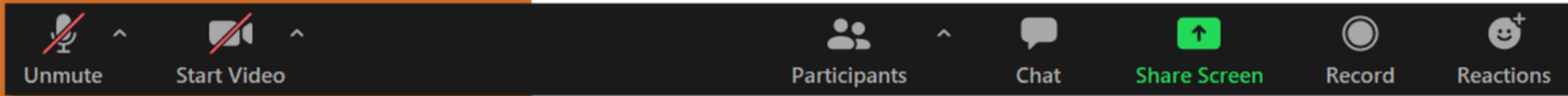
Brad McConnell

CEO

bmccconnell@a4cb.org

312.924.2180

Audience Questions



**Submit your questions by
using the chat function!**



Upcoming Events at CDFA

CDFA TRAINING INSTITUTE

We offer 17 courses in development finance designed for all skill levels. Learn more and register today at www.cdfa.net

CDFA Infrastructure Finance Learning Series: Building the Foundation for Infrastructure Projects

Tuesday, May 31, 2022 / 1:00 PM - 4:00 PM Eastern

CDFA Food Systems Finance Webinar Series: Driving Investment in Regional Food Supply Chains

Tuesday, June 7, 2022 / 2:00 PM - 3:30 PM Eastern

CDFA Federal Financing Webinar Series: Creating More Equitable Environments with the EPA

Tuesday, June 14, 2022 / 2:00 PM - 3:30 PM Eastern

Contact Us



Ariel Miller

Council of Development Finance Agencies

Director, Research & Technical Assistance

614-705-1319

amiller@cdfa.net