

Grow your business with an innovative new financing partnership

COMMUNITY SOURCED
CAPITAL

There's an exciting new way for Seattle businesses to use community support as a catalyst for growth. Community Sourced Capital and Craft3 have joined forces to strengthen small business through a matching-capital program.

Community Sourced Capital's local lending platform enables businesses like yours to source low-cost loans between \$5,000 and \$50,000 directly from members of their communities. Together with Craft3, every dollar raised from the community is matched one-for-one, doubling the amount of funding you can access from the people who know (and love!) what you do.

It's an innovative new way for your business to connect with your community and transform the growth of your business.



Meet some community-financed businesses



Lottie's Lounge
Columbia City



That Brown Girl Cooks
Central District

- > \$35,400 loaned for 36 months at 0% interest
- > Helped finance new location in Rainier Beach
- > 84 lenders provided \$17,700; Craft3 provided \$17,700

- > \$12,500 loaned for 24 months at 0% interest
- > Helped finance new production equipment
- > 75 lenders provided \$6,250; Craft3 provided \$6,250

See more examples or contact us about starting yours at communitysourcedcapital.com/craft3

Community Sourced Capital, SPC

Community Sourced Capital and Craft3 Small Business Capital Partnership

What's the program?

Community Sourced Capital (CSC) provides loans to small business using funds sourced directly from their community. Businesses run campaigns on CSC's web platform and invite local supporters (typically friends, family, customers, and stakeholders) to buy \$50 increments of the target loan.

Craft3 matches the amount raised by a business up to \$25,000 for a total loan of up to \$50,000. Community lenders and Craft3 are paid back monthly as the loan is repaid by the business.

Why CSC loans are good for businesses and their communities

CSC has designed a simple way for community members to lend money to local businesses they value. For businesses, a CSC loan not only raises funds, but also acts as a promotional marketing campaign to gain visibility and foster long-term connections with your customers. It can take as little as one week for a business to apply and launch a campaign. 90% of CSC campaigns have been successfully funded.

Who is eligible? Businesses in certain Seattle neighborhoods that...

- Can use \$5,000 - \$50,000 for a growth project
- Have historical revenue traction and can forecast future revenues
- Have a demonstrated ability to repay a loan within 3 years
- Have the ability to connect with their community, via email, social media, and in-person conversations to invite them to the campaign page and to become Squareholders

How does it work for businesses?

Step 1 - Businesses apply to run a campaign through a simple online application

Step 2 - If approved, businesses run the month-long funding campaign using CSC's web-platform and custom fundraising tools

Step 3 - Successfully funded campaigns receive a check within a few business days after the close of a successful campaign, for the total amount of money raised, less credit card transaction fees

Step 4 - The business makes loan payments based on an agreed upon percentage of their top-line revenue from the previous month (usually 1-5%), until the loan is repaid to Squareholders in full

How much does this cost to participate?

- \$250 to launch a campaign
- \$50 membership fee per month paid duration of the loan -- the loan is a 0% interest loan

Do you have other questions?

The team at Community Sourced Capital is always excited to meet and talk to entrepreneurs in Seattle. Drop us a line, and let's get to work on bringing great capital to your business!

communitysourcedcapital.com/craft3