Lending to people, Investing for resilience

Throughout Oregon and Washington
Craft3 is a nonprofit that provides loans to entrepreneurs and individuals

- Since 1994, Craft3 has invested over $488 million in entrepreneurs, nonprofits and individuals.
- Craft3 loans align with our mission of strengthening economic, ecological and family resilience.
- Loans are available in the urban and rural communities of Oregon and Washington.
- 68 employees are located in eight regional offices.
Craft3 delivers on a “Capital Plus” regional lending strategy

- Craft3 makes long-term commitments to regional economic centers.
- Focusing loans in these centers allows the impact to amplify throughout the surrounding regions.
- These create jobs, other measurable outcomes and build durable links between urban and rural communities.
- Craft3 provides more than just capital, brokering relationships, knowledge and networks to support our clients.
Craft3 works with businesses, nonprofits and individuals in a variety of sectors

- Clean technology and energy-efficiency
- Community facilities
- Food and agriculture
- Manufacturing and value-added processing
- Land and water conservation
- Essential services
- Small retail and hospitality
Craft3 offers a variety of commercial and consumer loans

Commercial Loans

- **Business Loans**
  - To finance business start-up and expansion

- **Nonprofit Loans**
  - To finance projects that provide essential services

- **Clean Energy & Conservation Loans**
  - To finance projects that conserve energy, protect habitat and ensure clean water

Consumer Loans

- **Home Energy Loans**
  - To improve energy savings and efficiency in homes

- **Clean Water Loans**
  - To repair or replace failing septic systems for homeowners

- **Ada Developers Academy Loans**
  - To finance living costs for women during participation in Ada Developers Academy.
Craft3 serves a diverse set of industries and sectors

- MANUFACTURING: 18.0%
- CLEAN ENERGY: 16.2%
- TOURISM - HOSPITALITY: 9.7%
- CONSUMER CLEAN WATER: 9.7%
- FISH - SHELLFISH - SEAFOOD: 8.8%
- REAL ESTATE: 8.6%
- PROFESSIONAL SERVICES: 2.6%
- OTHER: 2.6%
- COMMUNITY DEVELOPMENT: 4.4%
- RETAIL NOT TOURISM: 4.7%
- CONSUMER ENERGY: 5.8%
- SERVICES NOT TOURISM: 6.6%
- FORESTRY - WOOD PRODUCTS: 0.3%
- CONSUMER - ADA: 0.8%
- AGRICULTURE: 1.1%

Includes Craft3 Commercial, Craft3 Consumer and Craft3 Capital Corporation Outstanding.
$488 million in Craft3 loans support resilience outcomes

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<tr>
<td><strong>586</strong></td>
<td>Loans to entrepreneurs of color, women- and veteran-owned businesses</td>
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<td><strong>13,250</strong></td>
<td>Jobs created or retained</td>
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<td><strong>94,753</strong></td>
<td>Low-income families assisted</td>
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<td><strong>$1.1 billion</strong></td>
<td>Owner equity and other funds leveraged</td>
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<td><strong>24,812</strong></td>
<td>Acres conserved</td>
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<td><strong>204,201</strong></td>
<td>Metric tons of greenhouse gases averted</td>
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<td><strong>1.2 billion</strong></td>
<td>Cumulative gallons of water treated</td>
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<td><strong>$1.7 billion</strong></td>
<td>Real estate value maintained</td>
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Data as of 6/30/18
Craft3’s mission-aligned investors are essential to delivering capital and impact

- More than 134 investors trust Craft3 with over $134 million in capital grants and loans.
- Since inception, Craft3 has maintained a 100% investor repayment record.
Oatmeal had always been a staple in the Bartelson household. Tony, Patricia and their two boys loved creating new flavors to take camping and hiking. When their youngest son developed severe food allergies, oatmeal was Patricia’s go to when traveling because restaurants often were unable to accommodate his needs. Knowing there had to be others with similar dietary restrictions, the Bartelsons launched Straw Propeller Gourmet Foods in 2011. Today, Straw Propeller offers a variety of flavors and has nut-free, gluten-free and vegan options.

With demand for its products in all 50 states, Canada and Guam, Straw Propeller needed to automate its packing line. Despite the company’s success, it was still considered a start-up and could not secure traditional bank financing. Then Patricia heard about Craft3.

A business loan from Craft3, made possible through the Goldman Sachs 10,000 Small Businesses program, enabled Straw Propeller to purchase the needed manufacturing and packing equipment and refinance their existing debt.
Cascade Vehicle Tents in Bend

- Woman-owned business
- 12 jobs created or retained
- Produces roof top tents
- Opened East Coast location in 2017
- Graduated to traditional bank financing in 2017
Some of our current and past partners.
Lending to people, Investing for resilience

Artisan Electric is a full-service residential and commercial electrical contractor specializing in solar photovoltaic systems throughout the Puget Sound. Since 2007, Artisan has helped shape the area’s energy future by educating communities, simplifying processes and creating energy solutions that are both practical and elegant.

In just seven years, Artisan Electric grew from a $100,000 company to over $7 million. Owners Jason Williams and Evan Leonard found that while they excelled in running sales, design and installations, neither fully understood the financial side. High revolving balances and overhead and inefficiencies were making it impossible to make a profit. With the help of a new controller, they cleaned up and reconciled the financials. Jason and Evan needed capital to pay off debt, but traditional banks couldn’t help. Crafts could.

Craft3 provided Artisan Electric with a Clean Technology Loan for working capital and to refinance existing debt. With generous support from the Washington State Clean Energy Fund, Crafts offers loans to help businesses finance commercial energy-efficiency work and renewable energy technology installations.

Lending to people, Investing for resilience

Since 1995, Enertechnix Process Sensors, Inc. (EPSI) has developed innovative technologies for monitoring commercial boilers to reduce pollution and improve their efficiency, cleanliness and safety.

Products include acoustic sensors for measuring the temperature of gases in large-scale boilers and infrared imaging systems for visual monitoring of conditions within high-temperature, particle-laden environments.

Much of EPSI’s production is exported to areas with heavy pollution problems, such as east and south Asia. In fact, EPSI has installations on every continent except Antarctica.

EPSI experienced strong growth from 2010-2013 - earning a place on the Inc. 5000 List of America’s Fastest Growing Companies in 2014. Then EPSI lost its sales manager. While it was ultimately able to fill the position in early 2016, the delay caused a decline in sales and impaired the balance sheet, forcing it to find a new lender.

Environmentally-friendly manufacturing jobs are important to our regional economy - and so Craft3 was interested in learning more. A thorough review of the business, sales projections and other factors told our lender and underwriter everything we needed to know – EPSI was strong enough to make a turnaround if given the capital (and chance). As a result, Craft3 provided a line of credit and term loan to better position Enertechnix for growth. Visit www.enertechnix.com to learn more.

www.Craft3.org

Astonia | Bremerton | Klamath Falls | Port Angeles | Portland | Seattle | Spokane | Walla Walla
Craft3 is an equal opportunity lender, provider and employer | NMLS ID 900169

MISSION IMPACTS

12 jobs created or retained
Manufacturing business
1,359,921 MTUs saved
140.073 metric tons of greenhouse gases averted
368,856,077 KWH saved annually

IN THEIR WORDS

"Craft3 enabled us to preserve our organization and rebuild the sales function. This loan saved us years and multiple jobs. Without it, we would have been in trouble."

-George Krachekoff
Enertechnix Process Sensors
In Harney County, they depend on each other and work together to solve problems. Five years ago, the County and School District in Burns had a big problem: inadequate heating systems that were failing. In response, High Desert Biomass Coop was founded for long-term, community ownership of an innovative, biomass district heating system in Burns, Oregon. The system provides renewable heat to the local courthouse, jail, elementary school and an addiction treatment facility.

Without a biomass system, higher-cost fossil fuel would have to be trucked in a long-distance to heat the community facilities. The system consumes roughly 900 tons of biomass a year and provides a market for low-value forest residuals that are generated from local timber harvests, including restoration tree risk reduction treatments on U.S. Forest Service lands.

Crafts financed $1.1 million, about half, of the overall project. The project also received significant support from Portland-based Meyer Memorial Trust, a Business & Industry Loan Guarantee from U.S. Department of Agriculture Rural Development and tax credits from the Oregon Department of Energy.

Crafts provided additional financing to expand the footprint of the facility over the coming years to connect additional customers.
Learn more about Craft3, our work or apply for a loan

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