



## Starfish Commentary

The Composite Risk Rating takes into account the Borrower risk rating along with the duration of the loan and strength of collateral.

Starfish - This loan rating denotes a nonstandard credit quality that is not quantifiable by traditional credit models. The significance of this rating is that each loan is unique and requires careful review of underlying investment risk by the investor.

A Starfish rating generally means the borrower does not possess the requirements for the Gold, Silver or Bronze ratings, but has mitigating factors worthy of consideration. These factors may include the loan's significant impact to the nonprofit or social cause, the financial strength being dependent on program outcome (PRI), and/or the uncertainty of timing and size of expected cash inflow.

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[Healing To You](#) ("HTY") has been approved for a \$750,000 bridge loan (12-month, interest-only) at a ceiling rate of 10%. The loan will be made in two disbursements (Aug and Sept). Borrower will have the option to extend the loan for up to 6 months at an additional 2% per annum interest during the extension period. This additional interest will be accrued and due upon loan payoff.

Some factors to consider are:

- ↑ HTY has been awarded three 2-year grants totaling \$6.9M from the California Governor's Office of Emergency Services.
- ↑ Experienced leadership team and Board of Directors are in place.
- ↑ Founder, Cari Teran, M.S., LMFT has over 20 years of experience treating children and adults exposed to abuse and trauma who are experiencing depression, anxiety, and other mental health issues.
- ↑ Significant Impact: HTY predicts that they will serve 8,640 children and adults impacted by domestic violence each year. Their mobile clinic serving DV survivors will be the first of its kind in California. By providing supportive services early and closing the gap to access, they hope to interrupt the generational cycle of abuse.
- ↑ Borrower has been approved by a mission-driven lender for a \$250K lower cost loan that is sub-ordinate to the LENDonate loan.
- ↓ This is a startup organization with no financial history.
- ↓ Government funds are paid in arrears with monthly invoicing.

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### **About LENDonate**

*LENDonate's mission is to create a new financial ecosystem that allows capital to flow more freely in the social sector by developing an expressive marketplace that connects affordable capital with impactful projects. LENDonate raises capital by offering and selling Payment-Dependent Investment Notes to accredited investors in an exempt offering in reliance on Rule 506(c) of Reg D under the 1933 Securities Act. LENDonate lends the proceeds to borrowers, with payment of principal and interest to investors dependent on the borrower's payment of principal and interest to LENDonate. LENDonate holds California Finance Lender license no. 60DBO-75670. This is not an offering of securities, and the borrower described here is not making any securities offering. Offers are made by LENDonate via an Offering Memorandum that can be viewed at [LENDonate.com](https://LENDonate.com), as that Offering Memorandum is supplemented for the project described here.*