

Assistive Technology (AT) Loan Cheat Sheet

	CBA Member Practices
Purpose	Loans for assistive technology (AT) in order to help individuals with disabilities succeed in employment, education, small business development, and in their personal lives and community
Restrictions on use of funds	Few restrictions. Ensure that the AT is high quality and appropriate for the individual.
Loan amount range	\$1,500 to \$60,000* (average \$3,697) (no cap necessary; see considerations)
Loan terms	6 to 24 for smaller loans Up to 96 months for larger loans
Interest rate	0%-8% (average 4.5%)
Application Fee	\$0-\$15
Origination Fee	\$0
Late Fee	\$0-\$10
Non-sufficient funds fee	\$0-\$25
Charge-off rate	2%-6% (average 3%)
Loan loss reserve	4%-50% (average 19%)
Key Underwriting Considerations	<ul style="list-style-type: none"> ■ Ability to pay ■ Some attention to borrower's credit score, history, and debt-to-income ratio; distinguish between consumer debt and medical debt ■ Proof that borrower has undertaken precautions to ensure that the AT will effectively meet their needs

Assistive Technology (AT) Loan Cheat Sheet *continued*

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Security/Collateral	<ul style="list-style-type: none"> ■ May take collateral on vehicle or home modifications ■ Consider a co-signer or security holdback to secure smaller loans
Loan servicing and payments	<ul style="list-style-type: none"> ■ Monthly payment reminders ■ Flexible payment options (online, in-person, via mail)
Collection procedures	<ul style="list-style-type: none"> ■ Notices at 10, 30, 60, and 90 days late ■ Options for loan modifications ■ Contact references to ensure borrower is not sick or hospitalized ■ Send to collections/charge-off at 120 days
Borrower support/ Financial education	<ul style="list-style-type: none"> ■ Review budget and credit report during the application process ■ Offer ongoing financial development opportunities throughout the course of the loan ■ Offer a graduation product once loan has been paid-off
Credit Reporting	Report to all three credit bureaus
Measuring success	<p>Collect information on:</p> <ul style="list-style-type: none"> ■ Financial wellbeing ■ Credit strength ■ Asset building ■ Success with repayment ■ AT's impact on quality of life ■ Borrower's program satisfaction