

Assistive Technology (AT) Loan Cheat Sheet

| | CBA Member Practices |
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| 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 |