



## MEMO

To: Fahe Members  
From: Dwain Neeley, VP Community Lending  
Re: Coronavirus Crisis Emergency Member Loan  
Date: March 12, 2020

In an effort to support Fahe members who encounter financial hardship due to the ongoing Coronavirus crisis, Fahe will offer an emergency loan to those who can show cause for the loans as related directly to the crisis. The loans will be available to all members who meet the requirements outlined below.

### Loan Product

Amount: \$10,000 - \$25,000

Type: Unsecured, Non-Revolving Line of Credit

Interest – 0%

Term: Up to 6 months

\* Loans may be eligible for extension, depending on the current crisis

Payments: Paid in full upon maturity

Fees: \$250 Flat Fee

\* If loan is extended past 6 months, an additional \$250 fee is required

Draws: Fully funded at closing

### Requirements

- Must show cause the hardship is directly related to the coronavirus crisis
- Must be in good standing with Fahe
- No late payments on any active Fahe loan within last 6 months
- Must have current audit
- Must meet at least 3 of the 4 ratios
  - \* Current =  $>1.25$
  - \* Debt =  $<0.50$
  - \* Cash Flow = Positive
  - \* Fixed Asset Mix =  $<0.66$

### Documentation

- One page memo\* describing the hardship, amount requested and use of funds, source of repayment.
  - \* Memo must be signed by Executive Director, and the Chief Financial Officer as applicable
- Current audit
- Year-to-Date Balance and Profit & Loss

### Closing

- Fahe staff prepared Note