



Annual Investor Report 2024

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A Note from the Chief Development Officer

As I reflect on the past year, I am humbled by what we've accomplished together and energized by the critical work that lies ahead.

This report showcases a year of significant achievement: we made many high-impact loans that have transformed businesses, nonprofits, families, and communities throughout Oregon and Washington. Our strong operating results and successful grantor and investor relationships demonstrate the resonance our mission has with partners who share our vision. We also maintained excellent asset quality and added to our leadership team, strengthening our organizational capacity.

We share these accomplishments against a backdrop of federal volatility and risks to public and private sector funding initiatives focused on economic opportunity.

The March 14th Executive Order calling for a reduction in activity at the CDFI Fund has created significant uncertainty. While initial indications suggest statutory protections may remain intact, potential administrative, legislative, or judicial actions could substantially limit how CDFIs like Craft3 operate and access federal resources.

This uncertainty reinforces two truths: First, the financing we provide fills a critical market gap. Without it, countless underserved entrepreneurs would be unable to launch or grow their businesses, community organizations would struggle to acquire necessary facilities, and homeowners would be without capital to repair or improve their homes. The tangible community benefits—jobs created, environmental stewardship, wealth-building—would disappear.

Second, your partnership is a powerful statement about the kind of Pacific Northwest communities you envision. Should traditional funding channels narrow, your continued support becomes even more vital.

We stand behind the commitment, made when Craft3 was founded, to use capital to create opportunity for all. As in past periods of economic distress, Craft3 is bracing for increasing demand for our products and services. Where others may be constrained, Craft3 is leaning in to continue serving underserved communities. We thank you for your past and current support. Where possible, we ask that you consider extending additional support to Craft3 and other CDFIs through impact first investments, grants, loan guarantees and other forms of financial support that help to create thriving, just and empowered communities that benefit us all.



Maggie Kirby Weiland
Chief Development Officer
MKirby@Craft3.org



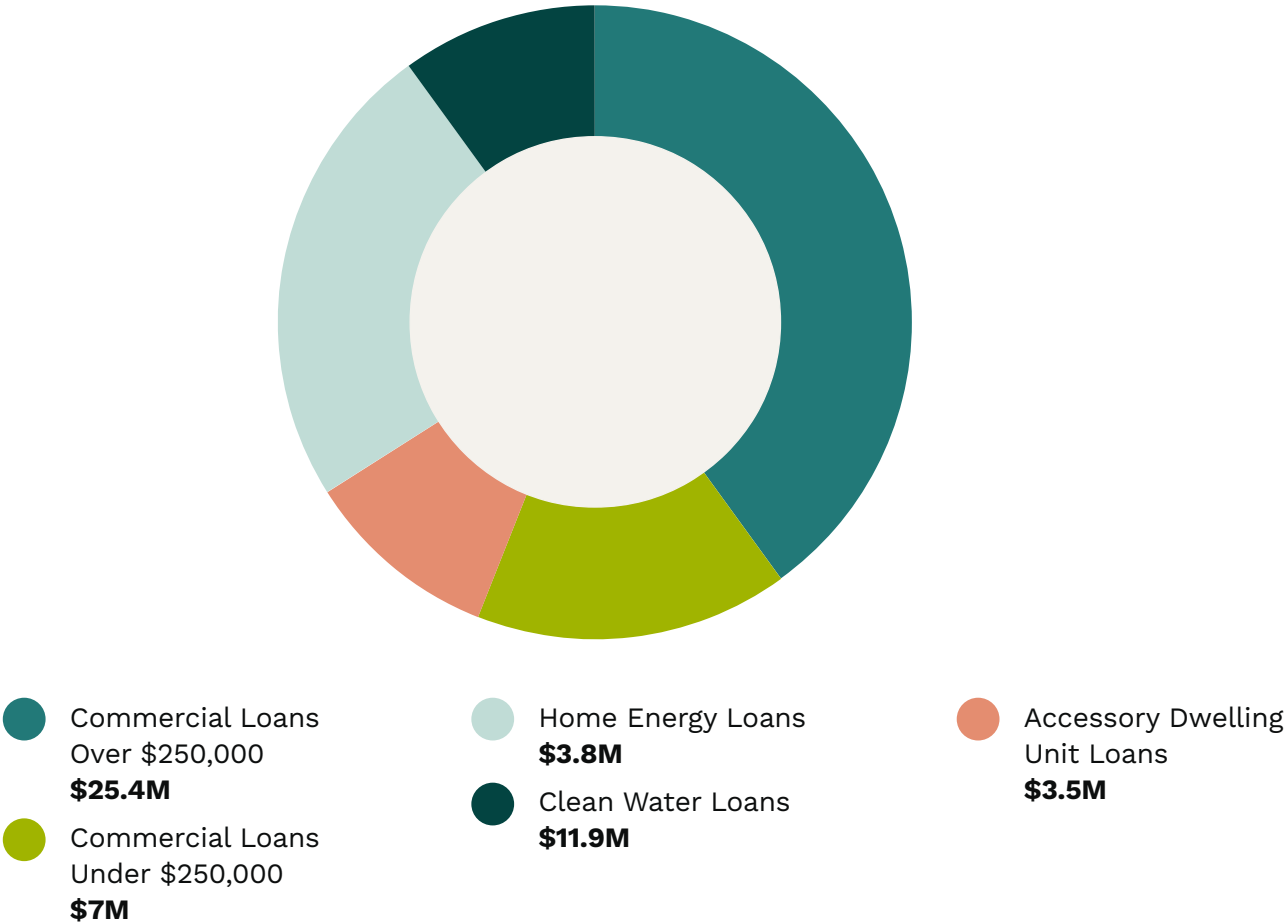
Lending and Outcomes

2024 At a Glance

During 2024, Craft3 originated 886 loans totaling \$54.1 million.

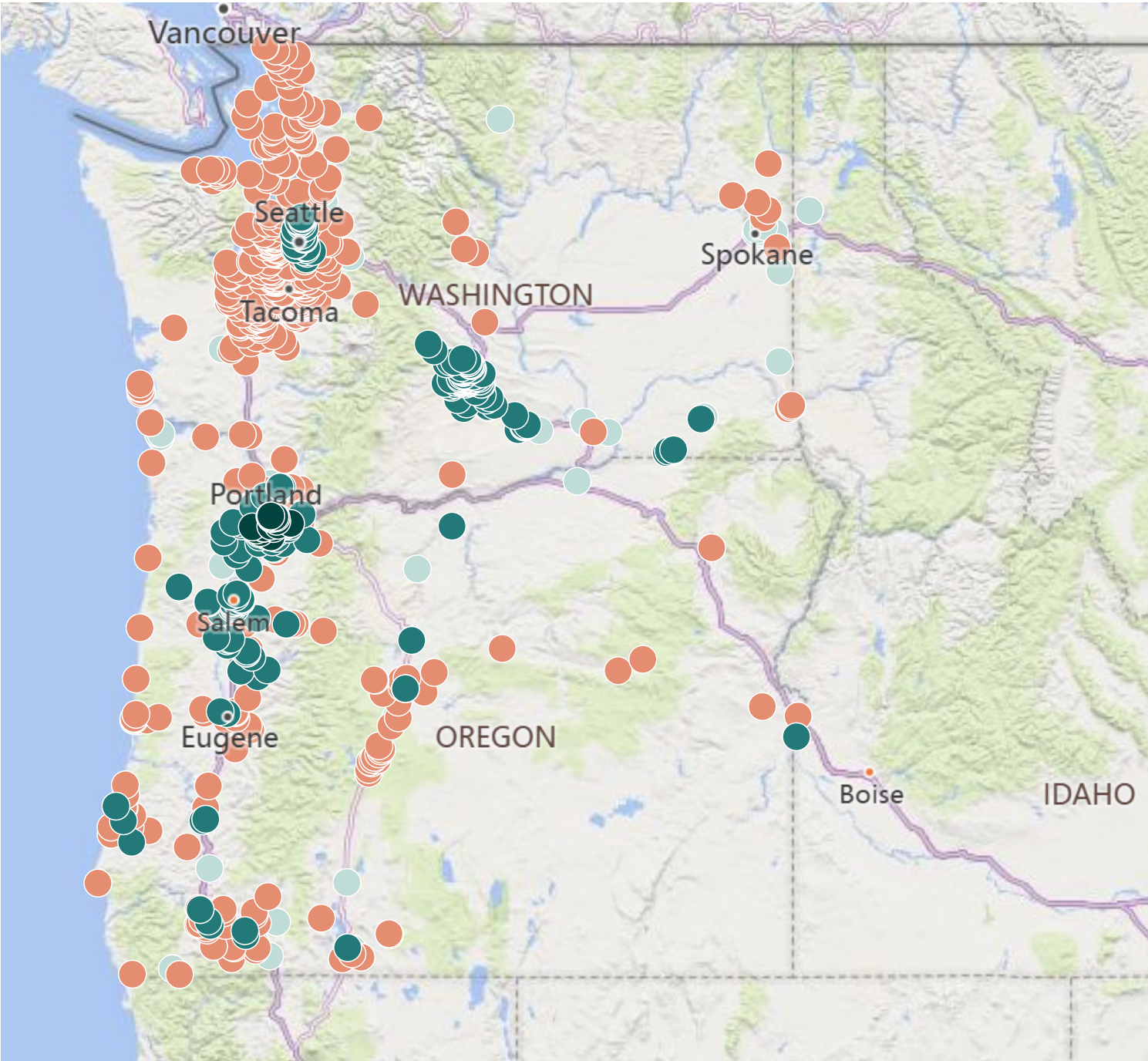
We lent \$32.4 million, or 60 percent of this capital, to 80 businesses and nonprofit organizations across Oregon and Washington, of which 27 (34 percent) were start-ups and 74 (93 percent) were entrepreneur of color-, women-, immigrant-, or veteran-owned businesses. These loans supported the creation or retention of 629 jobs, the preservation or creation of more than 100,000 community facility service slots, they assisted more than 101,000 low-income families, they strengthened nearly \$77.5 million in locally-owned assets, and leveraged more than \$57 million in third-party investment.

We originated 710 loans to consumer borrowers, providing \$21.6 million in capital to homeowners across the region to repair or replace septic systems, install energy efficiency measures, or build accessory dwelling units. We committed an additional 96 pass-through grants to low-to-moderate income customers in Oregon and Washington to support septic system repair and replacement for those unable or less able to access loans to fully cover their costs. These loans and grants supported 254 low-income homeowners (32 percent), strengthened nearly \$315 million in locally-owned real estate assets, averted around 1,000 metric tons of greenhouse gas emissions, and treated over 57 million gallons of wastewater.



Lending and Outcomes

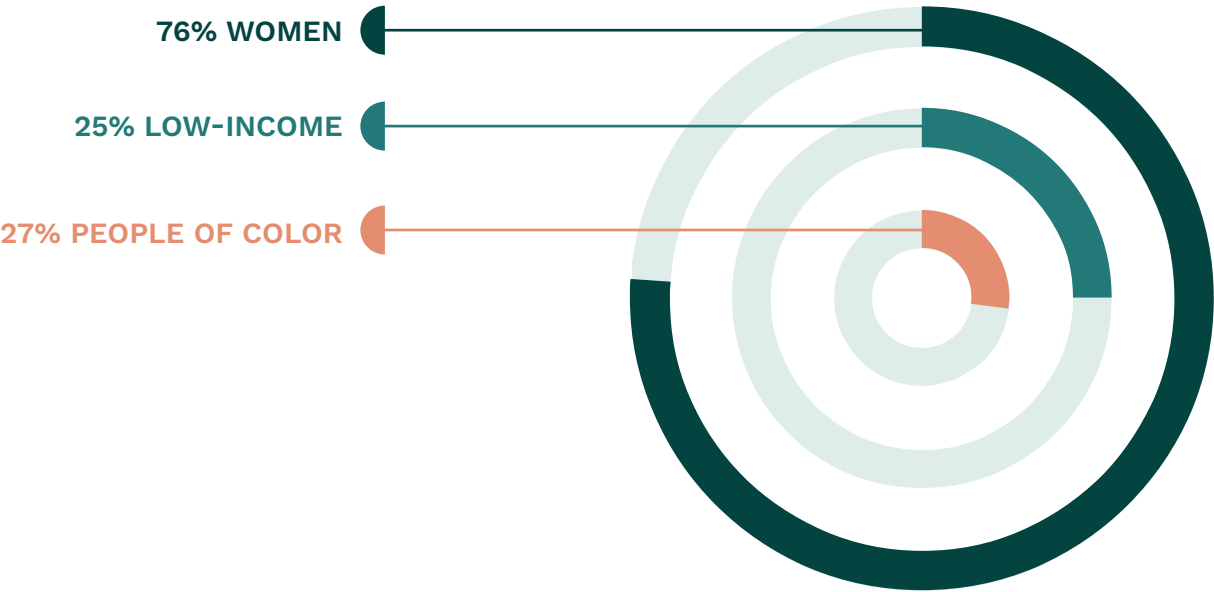
2024 Production Map



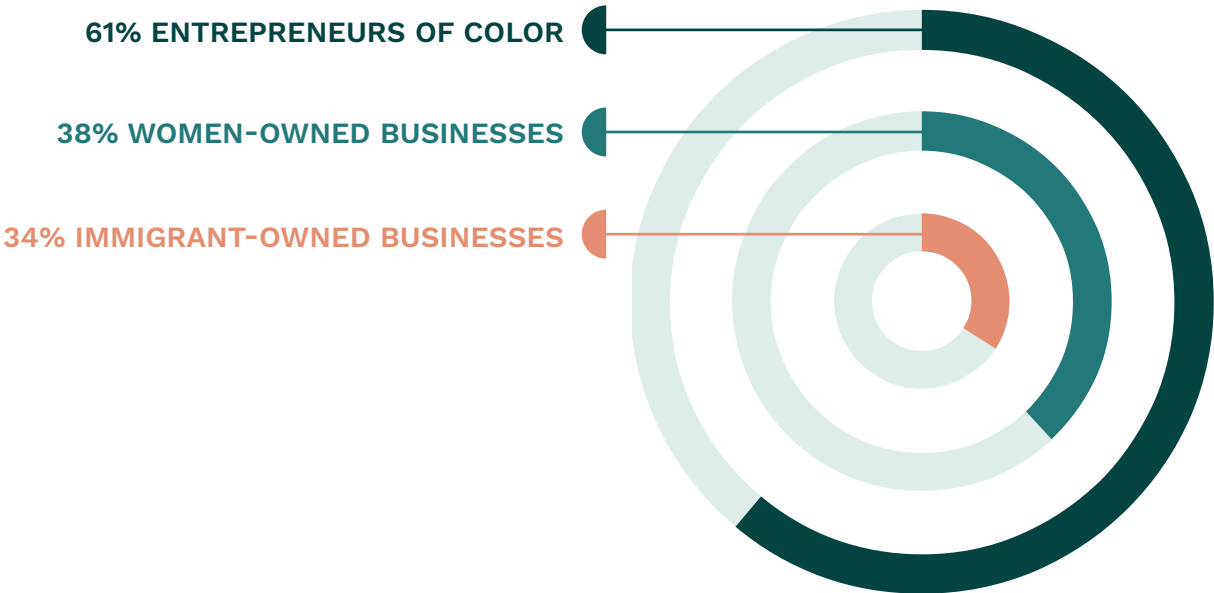
- Accessory Dwelling Unit Loans
- Clean Water Loans
- Home Energy Loans
- Commercial Loans

Lending and Outcomes

In 2024, Craft3 made \$19.4 million in loans to homeowners. Here’s where those dollars went:



In 2024, Craft3 made \$32.4 million in commercial loans. Here’s where those dollars went:



Lending and Outcomes

IN 2024, CRAFT3’S COMMERCIAL AND CONSUMER LENDING SUPPORTED THE FOLLOWING OUTPUTS AND OUTCOMES.



27 start-ups
financed



629 jobs created
and retained



\$58.4M third-party
investment leveraged



117.9 million gallons of
wastewater treated



107,634 community facility
service slots supported



101,333 low-income
households assisted



5,815 acres of working
landscapes and conservation
lands conserved



1,310 metric tons
of greenhouse gas
emissions averted



\$392 million
in locally-owned
assets strengthened



74 entrepreneurs of color
and woman-, immigrant-
or veteran-owned
businesses assisted

Making a Difference

CRAFT3 PROVIDES ACCESSIBLE CAPITAL TO ENTREPRENEURS AND COMMUNITY LEADERS.

One of the best ways to understand our work and its impacts is through stories. Every loan makes a difference to lives and livelihoods, to families and communities. Here are just a few of those stories.

GROWING BUSINESSES AND ENTREPRENEURS



KOPITOS COCINA

Newberg, Oregon

When Miriam Sangabriel approached Craft3 to expand her family’s successful food truck business into a brick-and-mortar restaurant, she brought passion, deep culinary expertise, and a family that was committed to the business.

Traditional financing wasn’t an option, however, as it was a startup and Miriam did not have comprehensive financial projections. Working with a Craft3 Business Services coach in both Spanish and English, Miriam learned how to create and use projections that would demonstrate the viability of her expansion plans.

This support empowered Miriam with new skills. Today, Kopitos Cocina has successfully transitioned to a vibrant brick-and-mortar restaurant in downtown Newberg, serving traditional Mexican cuisine while maintaining their thriving catering business.

“Having a business takes effort, perseverance and dedication. We have a love for what we do and a passion for sharing our roots and love for our culture. We are constantly learning and making mistakes at the same time. For us having a business means challenges and growth. As first-generation immigrants it means sacrifices and hard work.” - **Miriam Sangabriel**



INDIGENOUS EATS

Spokane, Washington

One of our goals is always to help our customers build a strong financial foundation so they can qualify for conventional financing. When Jenny Slagle, an enrolled Yakama Nation member, and her husband Andrew, set out to launch Indigenous Eats—a restaurant rooted in Native comfort food and community—they found that traditional banks weren’t ready to invest.

Five years after receiving startup financing from Craft3, Jenny and Andrew now operate two successful Indigenous Eats locations and have expanded with a mobile food trailer to serve at powwows, community gatherings, and regional events.

With a clear vision, thoughtful planning, and deep ties to community, the Slagles have grown their business with purpose. Their journey reflects the kind of culturally rooted entrepreneurship we are proud to support. Now preparing to transition to conventional bank financing, Indigenous Eats is positioned for continued growth and impact.

Making a Difference Continued

INVESTING IN ESSENTIAL COMMUNITY SERVICES

Craft3 is committed to financing essential community services. Thriving communities require ample and appropriate social services, healthcare, and high-quality early care and education.



BUILDUP OREGON

In response to Oregon's severe childcare crisis — where 72% of communities are considered childcare deserts — Craft3 helped found BuildUp Oregon in 2024 in collaboration with our partners: Micro Enterprise Services of Oregon (MESO), the Low Income Investment Fund (LIIF), and the Network for Oregon Affordable Housing (NOAH). This initiative supports providers with capital for growth, facility improvements, building acquisition, and construction, plus technical assistance around real estate acquisition, licensing, construction, financial management, and business planning.

BuildUp Oregon is creating the physical infrastructure necessary for Multnomah County (part of the Portland Metro area) to achieve universal preschool by 2030. The partnership also supports the financing of early care and education co-located with affordable housing across Oregon, supported by funding from the State of Oregon through Oregon Housing and Community Services.

Since launching in spring 2024, BuildUp Oregon has awarded \$12.5 million in grants and \$3.9 million in Craft3 loans through Multnomah County's Preschool for All Facilities Fund, funding 43 early care programs and creating 685 new childcare seats. We have also committed \$8 million to fund 9 co-located child care and affordable housing projects across the state.

Success stories include inclusive playgrounds at David Douglas School District, new centers developed by immigrant organizations like the Center for African Immigrants and Refugees Organization (CAIRO) and the Immigrant and Refugee Community Organization (IRCO), and the transition of home-based providers to centers in underserved East Portland.

Through BuildUp Oregon, Craft3 is helping expand early care and education access and ensure that Oregon's children and families have the strong foundation they need to thrive.



Making a Difference

INVESTING IN ESSENTIAL COMMUNITY SERVICES



Richmond Learning Academy

Gresham, Oregon

After nearly a decade running a family child care, Richmond Learning Academy, that serves 16 children, Shaquoya Richmond expanded with support from BuildUp Oregon. With a \$1.1 million grant, a Craft3 loan of almost \$900,000, and technical support from a MESO Facilities Advisor, Richmond acquired a vacant, childcare facility with tremendous potential.

Richmond's expansion will create 77 new childcare seats and 8-10 jobs. The center's partnership with Multnomah County's Preschool for All program provides free quality early education to families like Alma Landon's, who calls it "a great benefit for our daughter and a blessing for us."

"Shaquoya works closely with parents and sees them as partners. She has her hand in everything in the community," says her MESO Facilities Advisor, highlighting Richmond's commitment to those she serves.

Richmond reflects, "With BuildUp Oregon's help, I can grow my business to boundless limits and make a bigger difference in my community."

HELPING HOMEOWNERS MAKE ESSENTIAL REPAIRS



CLEAN WATER LOANS

Costly septic repairs can push homeowners into crisis. Affordable and accessible, Craft3 Clean Water Loans supported by long-term funding and programmatic partnerships with Washington's Department of Ecology and Oregon's Department of Environmental Quality, can be a lifeline. In addition to loans, Craft3 offers grants for lower-income homeowners including those who have been affected by wildfires.



RISE FROM THE ASHES

After the devastating 2020 Santiam wildfires in Oregon, Cara Tapken—who had helped firefighters and neighbors during the crisis—felt compelled to move out of state to heal from the trauma. However, separation from her young granddaughter and community eventually drew her back to Oregon.

Returning meant starting over. With her savings spent on new property and unexpected repairs, Cara lived in an RV while gradually rebuilding. Winter brought additional challenges as she relied on a rented 300-gallon plastic holding tank that was vulnerable to freezing.

The turning point came when a Craft3 Clean Water Loan, combined with county grant funding, enabled Cara to install a proper septic system. This critical infrastructure not only improved her immediate living conditions but also laid groundwork for her future permanent home.



SUPPORTING HOMEOWNERS ON FIXED INCOMES

For senior homeowner Philip Aievoli, 2024 began with compounding challenges. After recovering from a fractured hip and knee replacement surgery, he faced a failing septic system. On a limited fixed income, Philip couldn't afford the complete system replacement he needed.

Hope came when a neighbor's contractor recommended Craft3. With guidance from a Craft3 loan officer, Philip secured both a grant and an affordable Clean Water Loan. Philip was unable to afford a bank loan due to high interest rates, but this was within his budget.

Philip's property now features a perfectly functioning two-tank system with a new drain field and he is a happy customer: "I couldn't have asked for better service. It was just wonderful."

Financial and Portfolio Performance

During 2024, Craft3 grew its balance sheet, achieved positive operating results and maintained strong asset quality.

BALANCE SHEET

Total assets were \$237.2 million at the end of 2024, representing 6.8 percent year-over-year (YOY) growth. Net assets, which comprised 41 percent of total assets at year-end, grew 19.8 percent, to \$98 million. Total loans outstanding increased by 5.4 percent to \$171.4 million, largely driven by consumer loan growth. The significant increase in consumer loans was driven by continued expansion of Clean Water Loans in Washington.

Unrestricted cash and investments were \$54.8 million at FYE. Notes Payable remained relatively stable, decreasing by only one percent to \$132.7 million. Craft3's debt to net assets (leverage) ratio dropped to 1.42:1 at year-end 2024 (down from

1.71:1 in the prior year) due to the increase in net assets and sustained level of Notes Payable. During 2024, Craft3 focused on renewing existing debt facilities at favorable rates. Given the elevated rate environment, Craft3 was particularly discerning about issuing new debt in order to moderate increases in our cost of funds and the rates we charge our borrowers. This followed the prior year when Craft3 grew capital for new loans and replaced higher priced floating rate facilities. At FYE 2024, Craft3 remained conservatively leveraged and well within management goals and investor covenants for debt to net assets.



Financial and Portfolio Performance

Continued

INCOME STATEMENT

We ended 2024 with positive net income of \$16.2 million, which was three times higher than budgeted, due significantly to the receipt of an unbudgeted \$15 million unrestricted operating grant from MacKenzie Scott through her charitable organization, Yield Giving ([MacKenzie Scott Gifts \\$15 Million to Craft3](#)). This is the second grant Craft3 has received from MacKenzie Scott; the first was a \$10 million unrestricted operating grant in 2020.

Revenue totaled \$54.1 million in 2024, which exceeded budget by 16.8 percent and represented an increase of 67 percent over the prior year. This was driven to the greatest extent by a 104 percent increase in contributed revenue, and an 11 percent increase in earnings. Interest income increased moderately by 16.8 percent to \$11 million in 2024 in line with budget. Net interest margins held relatively steady at 4.64 percent as the balance of Notes Payable and associated cost of funds remained largely unchanged. Consolidated yields increased modestly to 6.44 percent in 2024. Grants and contributions in 2024 totaled \$39.5 million (\$26.5 million net of pass-through grants), which was 22 percent over budget due primarily due to the \$15 million grant from MacKenzie Scott mentioned above.

While expenses grew 24 percent to \$25.3 million (net of \$13.1 million in pass-through grants), due to wage and cost inflation in combination with elevated consultant expenses, and higher loan loss provision expense, we were still \$2.4 million or 6.2 percent under budget.

A copy of our full balance sheet and income state results are linked on our website here: [Craft3's 2024 Audited Financial Statements](#).

ASSET QUALITY

Craft3's asset quality remained strong in 2024. Annual net charge-offs were 1.34%, with a three-year rolling net charge-off rate of 0.56 percent. At year-end, our allowance for loan losses was \$8.8 million or 5.1 percent of the consolidated portfolio, in line with our Current Expected Credit Losses (CECL) model. While Craft3's problem assets increased to \$8.3 million or 4.84 percent of the portfolio, they remained below goal of being less than 8% of loans outstanding. Loans over 30 days past due remained low at 0.26 percent and were well within our internal goal of being below 5 percent of loans outstanding.



Financial and Portfolio Performance

Continued

LEADERSHIP UPDATES

In 2024, Craft3 expanded and strengthened its leadership team and focused on organizational development that will make us more sustainable and effective now that we are a larger organization than we were a decade or even five years ago.

CEO

After 20 years with Craft3, including eight years as CEO, Adam Zimmerman departed in March 2024, with President Bruce Brooks appointed as interim CEO. Bruce has been active and effective in his new dual role, providing invaluable leadership and stability. The Board's CEO Search Committee, chaired by Walt Krumbholz, has extended their search beyond the initial Q1 2025 timeline to find the right permanent leader.

Throughout 2024 and into early 2025, we shared updates on Craft3's leadership. Here is a consolidated summary of those changes.

LEADERSHIP COMMITTEE

In early 2024, Craft3 established a new Leadership Committee (LC) to strengthen organizational stewardship, support succession planning, and enhance strategic direction across all Business Units. The committee consists of nine members:

- **Gregory Bradley**, Chief Credit Officer
- **Bruce Brooks**, President and Interim CEO
- **Kelly Dulong**, Chief People Officer
- **Aman Jeloka**, Chief Financial Officer
- **Brooke Kingery**, Lending Services Director
- **Chris Larson**, Chief Strategy & Information Officer
- **Carl Seip**, Chief Marketing Officer
- **Turner Waskom**, Chief Lending Officer
- **Maggie Kirby Weiland**, Chief Development Officer & Chief of Staff

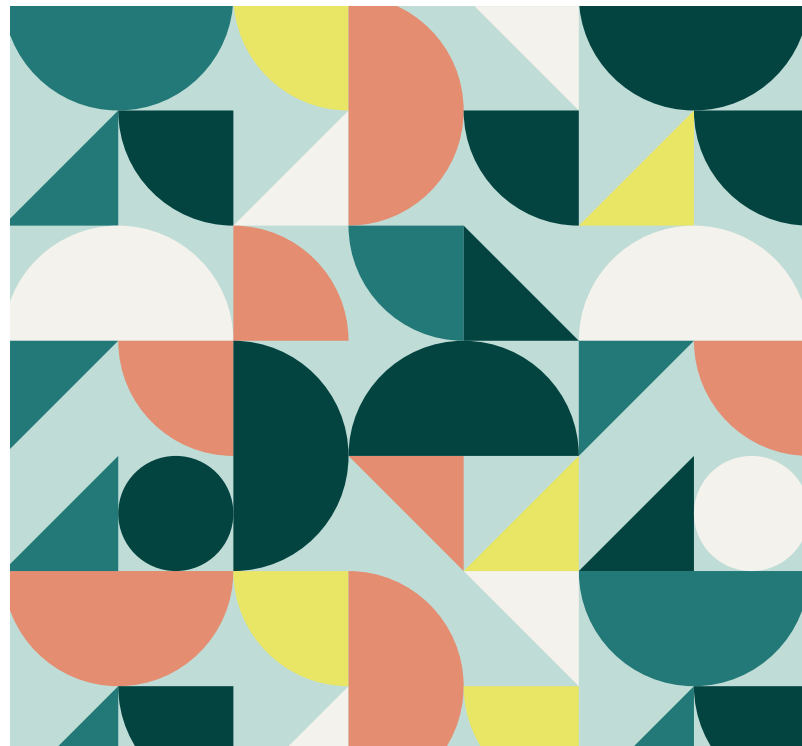
While most of the Leadership Committee has been filled through internal promotions, we welcomed two new key leaders in 2024.

CHIEF FINANCIAL OFFICER

In March 2025, Craft3 welcomed Aman Jeloka as Chief Financial Officer. He brings 32 years of financial leadership experience from organizations including BECU, Amazon, JPMorgan Chase, and Capital One. As Craft3's top financial strategist, Aman oversees finance, accounting, compliance, and treasury functions while supporting financial product development, strategic partnerships, and complex investment negotiations across Craft3's network of over 150 funders and 200 different funding sources.

Beyond traditional CFO responsibilities, Aman's role encompasses building collaborative team culture, evaluating key metrics to support strategic goals, optimizing financial performance of products and services, and providing governance support to Board committees — all while maintaining the delicate balance between mission fulfillment and financial sustainability. "I've always had this internal desire to work with organizations that aren't just about profits, but also about making a positive impact on customers and the community at-large," notes Aman.

[Read more](#)



Financial and Portfolio Performance

Continued

CHIEF PEOPLE OFFICER

In late 2024, Craft3 welcomed Kelly DuLong as its first-ever Chief People Officer (CPO), a strategic addition to the leadership team reflecting the organization’s growth from 46 employees a decade ago to more than 80 today. This new C-level position was created to ensure Craft3’s human resources strategies are integrated and consistent across all levels while fostering a workplace culture that embodies the organization’s core values of being conscientious, effective, and engaged.

Kelly brings extensive experience spanning both private and nonprofit sectors, most recently serving nine years as Vice President of People & Culture for a Pacific Northwest nonprofit serving 13 million consumers. There, she established comprehensive HR infrastructure, launched successful DEI programs, and helped create a workplace environment that consistently outperformed benchmarks in employee engagement—earning recognition as a top regional workplace by The Oregonian and one of Oregon’s best nonprofits to work for by Oregon Business Magazine in 2024.



2024 Institutional Investors and Grantors

Annie E. Casey Foundation
Banc of America Community Development Corporation
Bank of America, N.A.
Banner Bank
Beneficial State Bank
BMO Financial Group
Broetje Family Trust
Cathay Bank
City of Astoria, Ore.
City of Portland, Ore.
City of Seattle, Wash.
CommonSpirit Health
Energy Trust of Oregon
Episcopal Diocese of Oregon
Erich and Hannah Sachs Foundation
First Federal Savings and Loan
Good to Grow CDFI Investment Fund, LLC
Greater Tacoma Community Foundation
Heritage Bank
HSBC Bank USA, N.A.
ImpactAssets, Inc.
Income & Impact Fund, New Summit Investments
Jim and Patty Rouse Charitable Foundation
JPMorgan Chase Bank, N.A.
JPMorgan Chase Foundation

KeyBank, N.A.
Kitsap Bank
Kuni Foundation
Lora L. and Martin N. Kelley Family Foundation
Meyer Memorial Trust
Multnomah County, Ore.
Northern Trust
Northwest Area Foundation
Opportunity Finance Network
Oregon Housing and Community Services
Pacific County, Wash.
Pacific Premier Trust
Portland Affordable Housing Preservation Trust
Puget Consumers Co-op
Ronald W. Naito MD Foundation
Satterberg Foundation
Seattle Foundation
Sisters of the Holy Names of Jesus and Mary, U.S.-Ontario Province
Sound Community Bank
Starbucks Corporation
State of Oregon Department of Environmental Quality
State of Washington - Department of Commerce and Department of Ecology

Tacoma-Pierce County Health Department
The Chicago Community Trust
The Commerce Bank of Oregon
The Episcopal Church in Western Oregon
The Oregon Community Foundation
Trinity Episcopal Cathedral
U.S. Bancorp Community Development Corporation
U.S. Bank Foundation
U.S. Bank, N.A.
U.S. Department of Agriculture
U.S. Department of Treasury, CDFI Fund
U.S. Small Business Administration
Umpqua Bank
United Business Bank
Washington County, Ore.
Washington Federal, N.A.
Washington Trust Bank
Wells Fargo Bank, N.A.
Weyerhaeuser Family Foundation

2024 Wealth Management Firms Advising Anonymous Investors

ALTi Tiedemann Global

Arc Advisers, LLC

Arjuna Capital

Balanced Rock Investment Advisors

Baldwin Brothers, LLC

Becker Capital Management

Figure 8 Investment Strategies

Fresh Pond Capital, a division of Reynders,
McVeigh Capital Management, LLC

Humanize Wealth

Laird Norton Wealth Management

Natural Investments, LLC

Progressive Investment Management

The Clarius Group

The Sustainability Group at Loring,
Wolcott & Coolidge

Trillium Asset Management





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