COMMERCE DEPARTMENT

August 14, 2026

Senator Matt Klein, Chair
Commerce and Consumer Protection Committee
95 University Avenue W.
Minnesota Senate Bldg., Room 2105
St. Paul, MN 55155

Senator Gary Dahms, Ranking Minority Member
Commerce and Consumer Protection Committee
95 University Avenue W.
Minnesota Senate Bldg., Room 2219
St. Paul, MN 55155

Representative Erin Koegel, Co-Chair
Commerce Finance and Policy Committee
5th Floor Centennial Office Building
St. Paul, MN 55155

Representative Tim O'Driscoll, Co-Chair
Commerce Finance and Policy Committee
2nd Floor Centennial Office Building
St. Paul, MN 55155

RE: Minnesota Department of Commerce Report on Exodus Lending Activities as mandated in Laws of 2023, Chapter 57, Article 1, Section 2, subdivision 3(i).

Dear Chair, Co-Chairs and Ranking Member:

This letter addresses the notification requirement set forth by the Legislature in the Laws of 2023, Chapter 57, Article 1, Section 2, subd. 3(i) as outlined in the language below:

No later than August 15, 2024, and annually thereafter until the appropriations under paragraphs (e) and (f) have been exhausted or canceled, the commissioner of commerce must submit a report to the chairs and ranking minority members of the legislative committees with primary jurisdiction over commerce and consumer protection. The report must detail the information collected by the commissioner of commerce under paragraph (h).

Pursuant to Minnesota Statutes § 3.197: This report cost *de minimis* to prepare, including staff time. If you have any questions, please do not hesitate to contact me or my team.

Sincerely,

Julia Dreier
Temporary Commissioner

COMMERCE DEPARTMENT

Report on Exodus Lending Activities

Laws of 2023, Chapter 57, Article 1, Section 2, subdivision 3(i)

August 14, 2026

Reporting Requirements:

In accordance with the requirements set forth in Laws of Minnesota 2023, chapter 57, article 1, section 2, subd. 3(h), the monthly and annual status reports provided to the Minnesota Commerce Department must include the following criteria:

1) Total number of loans granted;
2) Total number of participants granted loans;
3) An analysis of the participant's race, ethnicity, gender, and geographic locations;
4) The average loan amount;
5) The total loan amounts paid back by participants;
6) A list of the trusted community partners;
7) The final criteria developed for character-based small dollar loan program determinations under paragraph (f); and
8) Summary data on the significant barriers to mainstream financial products faced by participants.

Criteria 1, 2, 4 and 5:

The below tables illustrate the total number of loans granted, the total number of participant loans granted, the total loan amounts, and the average participant loan amount that have been paid back by participants.

July 2025 - June 2026 Loan Closings/Repayment	Refinancing	Resiliency	Project MOVE[1]	Total
Total number of loans granted	131	115	N/A	**246**
Total number of participants granted loans	131	115	N/A	**246**
Total loans granted	$244,388.39	$141,094	N/A	**$385,482.39**
Total loan amounts paid back by participants	$74,205.88	$51,030.00	$748.00	**$125,983.88**

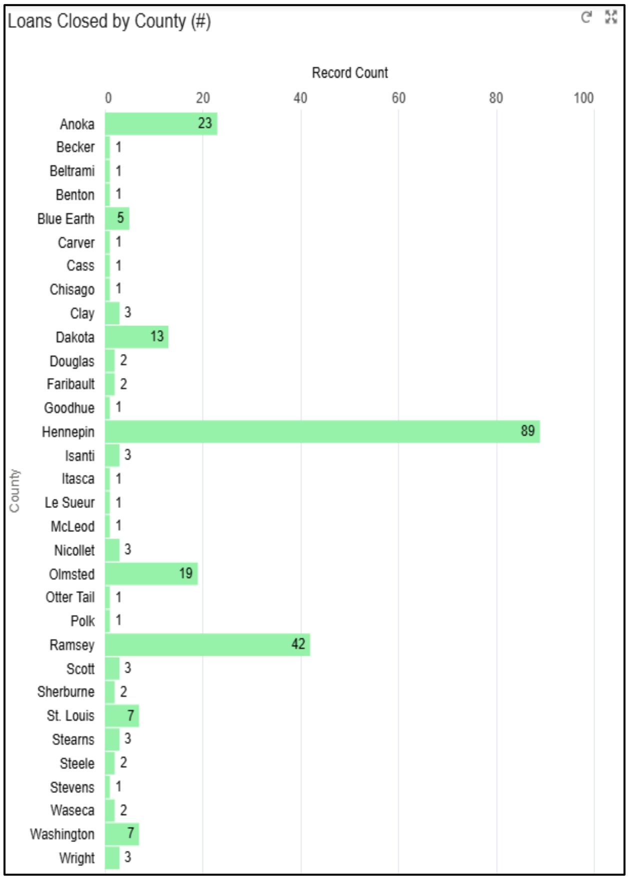
July 2025 - June 2026 Loan Closings/Repayment	Refinancing	Resiliency	Project MOVE	Total Average
Average loan amount per participant	$1,865.56	$1,226.90	N/A	**$1,567.00**

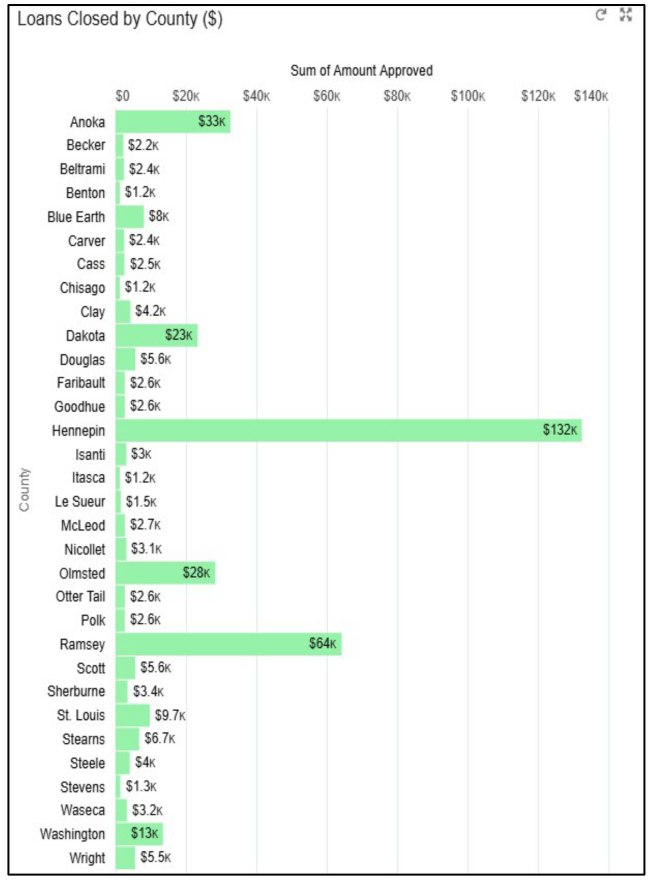
[1] Project MOVE was a piloted loan program done in partnership with The Lift Garage, in which Exodus Lending offered a personal loan for a qualified Minnesotan to purchase a fleet vehicle from a partnering dealership. While Exodus Lending initially budgeted to do more loans within this pilot, due to staffing changes at The Lift Garage, this partnership is not moving forward to offer new loans. The loan capital was provided by The Lift Garage.

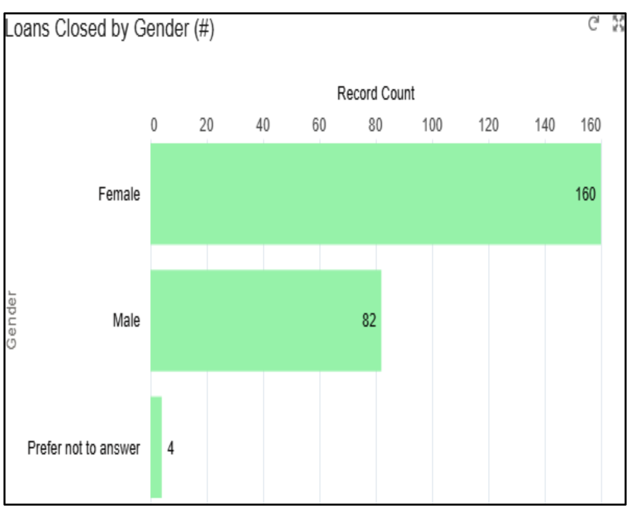
Criteria 3:

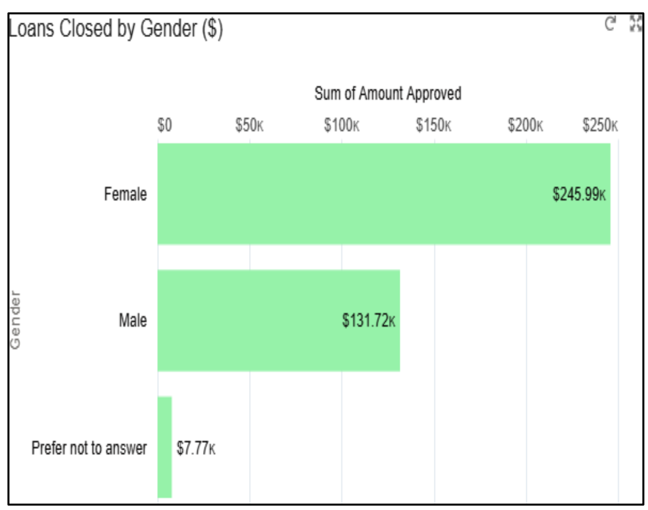
The below data sets exhibit participants' race, ethnicity, gender and geographic locations.

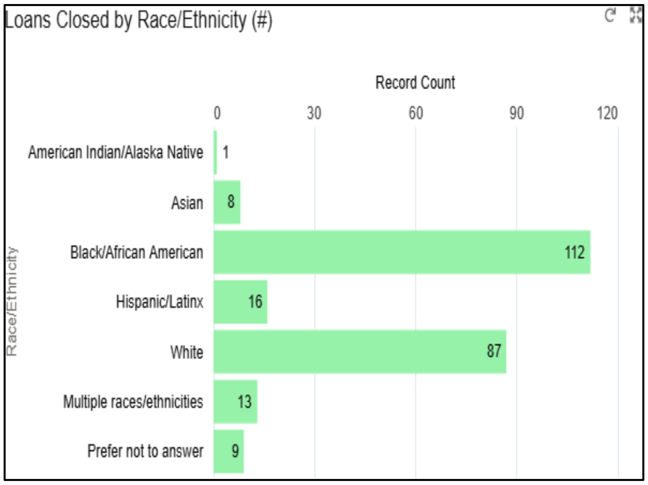
July 2025 - June 2026 Demographic Analysis - Refinancing and Resiliency Combined

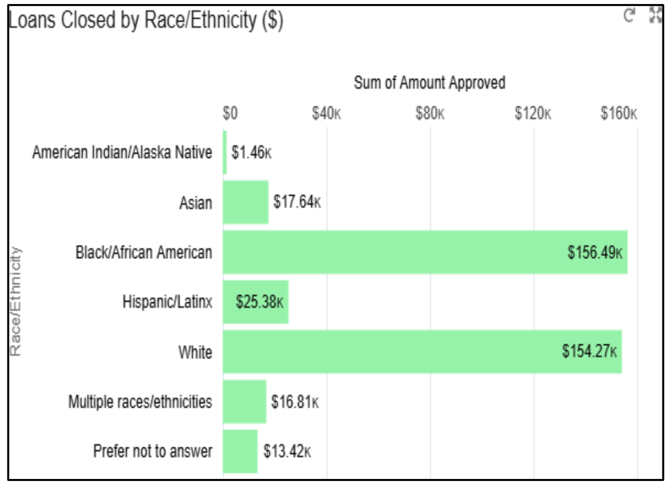









Loans Closed by Race/Ethnicity (#)
Record Count
0
30
60
90
120
Race/Ethnicity
American Indian/Alaska Native
1
Asian
8
Black/African American
112
Hispanic/Latinx
16
White
87
Multiple races/ethnicities
13
Prefer not to answer
9


Loans Closed by Race/Ethnicity ($)
Sum of Amount Approved
$0
$40K
$80K
$120K
$160K
Race/Ethnicity
American Indian/Alaska Native
$1.46K
Asian
$17.64K
Black/African American
$156.49K
Hispanic/Latinx
$25.38K
White
$154.27K
Multiple races/ethnicities
$16.81K
Prefer not to answer
$13.42K

Criteria 6:

Below is a list of Exodus Lending's trusted community partners.

Current and Prospective Resiliency Loan Partners (May 2024 – June 2026)		
Exodus Lending relaunched our "anti-payday" Resiliency Loan program in mid-April 2024. We provide access to the loan through a community partner referral. Community partners are listed below, with those with signed MOAs labeled as "current" or new if the MOA was signed within the last month. An "inactive" partner is an organization who previously referred someone, but did not re-sign a new MOA to continue the partnership. As such, inactive partners not eligible to make new referrals.		
Partner Name	**Status**	**Enrollments**
Northside Residents Redevelopment Council (NRRC) (Minneapolis, MN)	Current	38
Project for Pride in Living (PPL) (Minneapolis, MN)	Current	26
Model Cities (Saint Paul, MN)	Current	23
Merrick Community Services (St. Paul, MN)	Current	21
The Dignity Center (Minneapolis, MN)	Current	20
EMERGE (Minneapolis, MN)	Current	15
Three Rivers Community Action (Zumbrota, MN)	Current	11
CAPI USA (Brooklyn Center, MN)	Current	9
Family Freedom Center (Duluth, MN)	Current	9
Neighborhood Development Alliance (NeDA) (St. Paul, MN)	Current	6
Life-Work Planning Center (Mankato, MN)	Current	5
Wellshare (Mankato, MN)	Current	5
180 Degrees (St. Paul, MN)	Current	4
Exodus Lending (Internal) (Saint Paul, MN)	-	3
Jeremiah Program (Rochester, MN)	Current	3
Lakes & Prairies Community Action Partnership (Moorhead, MN)	Current	3
Tri-County Action Program (Tri-CAP) (Waite Park, MN)	Current	3
Neighbors, Inc (South St. Paul, MN)	Current	2
Family Promise in Anoka County (Coon Rapids, MN)	Current	1

ISAIAH (Minneapolis, MN)	Inactive	1
Leech Lake Financial Services (Cass Lake, MN)	Current	1
Minnesota Valley Action Council (Mankato, MN)	Current	1
Bethlehem Inn (Waseca, MN)	Current	-
CADA (Mankato, MN)	NEW	-
Community Action Duluth (Duluth, MN)	Current	-
Emerge Mothers Academy (Minneapolis, MN)	Current	-
Family Assets for Independence in MN (FAIM) (Statewide)	Current	-
Freedom Resource Center (Otter Tail, MN)	Current	-
Mahube-OTWA Community Action Partnership (Detroit Lakes, MN)	Current	-
Minnesota Assistance Council for Veterans (MACV) (Statewide)	Current	-
Mount Olive Lutheran Church (Minneapolis, MN)	Current	-
Northwest Minnesota Multi-County HRA (Mentor, MN)	Current	-

Criteria 7:

Below represents Exodus Lending's final criteria developed for character-based small dollar loans

Eligibility Criteria for Loan Programs

To be eligible for any loan with Exodus Lending, first-time applicants (individuals who have not previously had a loan with Exodus Lending) must:

- ☐ **Be A Minnesota Resident**
  Applicants must provide a photo ID as part of their Loan Application.

- ☐ **NOT Be Strongly Considering or in Active Bankruptcy**
  - If an Applicant indicates they are in active bankruptcy, they are ineligible for a loan.
  - If an Applicant indicates they are *considering* bankruptcy, ask follow-up questions to determine the seriousness or likelihood of bankruptcy filing during the course of the loan. If it is determined to be highly likely, Exodus Lending may deem them ineligible.

- ☐ **Have Income and a Demonstrated Ability to Repay**
  Applicants must provide proof of at least one (1) month's income as part of their Loan Application. Acceptable forms of income include paycheck, pension, unemployment benefits, Social Security, or other benefit types.
  - For self-employed applicants, Exodus Lending may request additional proof of income.

Participants who have/had a loan with Exodus Lending in the past may be subject to additional re-enrollment requirements before they are deemed eligible for another loan in the same program.

Refinancing

Additionally, applicants for the Refinancing Program must also:

- ☐ **Have Qualifying Predatory, High-Cost Debt**
  Applicants must provide sufficient loan documentation(s) that demonstrate:
  - Loan(s) is at least one (1) month old (i.e. "renewed" at least once if a payday loan)
  - Payoff amount(s) is less than or equal to the loan amount cap of $2,500.00.
  - Annual Percentage Rate (APR) is greater than 36% as listed on the Truth in Lending (TIL) disclosure.
    - If no TIL, use APR estimator.

Qualifying debt products may include but are not limited to: auto title, installment, payday, and pawn loans; earned wage access apps; and some lines of credit.

- Applicants with other products that may be predatory must get Director approval before refinancing.

Resiliency

Additionally, applicants for the Resiliency Loan must also:

- ☐ **Be Referred by a Qualified Partner**
  On behalf of the applicant, a community partner must submit a referral form that confirms applicant has:
  - Need for credit that is best met by a loan
  - Capacity to repay a loan

- ☐ **Qualifying Debt-to-Income Ratio**
  Applicants must have a self-reported debt-to-income ratio of 50% or less after the addition of the monthly payment amount.
  - Housing (rent or mortgage) and other credit costs (student loan, credit cards) are considered debt for this calculation.
  - Ongoing bills (e.g. utilities, collections without active payment plans) are not considered debt for this calculation.

Criteria 8:

Below is a summary data representing significant barriers to mainstream financial products faced by participants, along with a summary of reasons as to why any loan was needed.

What led you to take out this personal resiliency loan? (reason for loan)

- **Debt payoff / catching up on bills:**
    - Common examples include: “pay off my (high-interest) credit card,” “catch up on bills,” “debt consolidation,” “small debt relief,” and/or “pay things in collections.”
- **Car repair / transportation:**
    - Ranged from specific examples (“my transmission in my truck went out,” “new tires,” and “car being fixed") to a broad reference to a “car repair” or “transportation” overall.
- **Credit repair / building:**
    - Some examples include: “fix my credit to buy a home,” “build credit history,” and “credit repair and reporting.”
- **Rent arrears, deposit, avoiding eviction:**
    - Individuals named they were trying to address overdue rent, eviction threats, utility arrears, housing deposits, and other housing or personal emergencies.

List up to three concerns about your household finances or financial situation (examples)

- “Not making enough to fit needs”
- “can't refinance my outrageous car loan which is predatory”
- “managing monthly expenses on a fixed income”
- “Not having savings for emergencies”
- “Having no vehicle keeps me from working more”