

Investment Summary for

CommSell

St. Louis, MO (Metro)



Industrial - Quality Job Creation

QEI Amount:

**\$10
MILLION**

Economic
Development Zone:

**SBA
HUBZone**

Community Outcomes:

**100 Quality Jobs
80% accessibility**

MFI as % of AMI:

47%

Leverage:

**Fully
Committed**

**Severe Distress
with
Primary Criteria
(using 2020 data)**

PROJECT DESCRIPTION

CommSell provides a comprehensive, vertically-integrated suite of mobile device services, technology manufacturing, distribution, repair, fulfillment, sourcing, logistics, and supply chain management solutions. The company has two main programs: (1) they manufacture affordable refurbished technology and sell to distributors, and (2) their rapidly growing eCommerce brand plug.tech takes their own product and provides free or discounted devices directly to low-income consumers online. The subsidies for these devices, as well as for cell phone service, are provided by the federal government's Lifeline program and Affordable Connectivity Program ("ACP"), both intended for the benefit of low-income individuals. (See next page.)

This NMTC transaction will finance working capital to support this company's strategic initiatives and growth opportunities.

<https://commsell.com/>

COMMUNITY IMPACT STATEMENT

Jobs

This investment will finance 60 new permanent jobs and retain 40 permanent jobs, with 100% of the permanent jobs being quality jobs exceeding the St. Louis MIT living wage. Roughly 80% of the positions will be warehouse associates that do not require a formal education. CommSell is Middle Eastern-owned and roughly 60% of employees are minority or women. This hiring trend will likely continue even as they expand.

Commercial Goods & Services

The company's programs offer low-cost products directly to low-income individuals who can also make use of two governmental programs intended to subsidize the cost of phone and internet service for low-income individuals - Lifeline and ACP. The Lifeline program provides a discount on phone service for qualifying low-income consumers (under \$40K a year) to ensure that all Americans have the opportunities and security that phone service brings, including being able to connect to jobs, family and emergency service. ACP provides a discount of up to \$30 per month toward internet service for eligible households (household income at or below 200% of the Federal Poverty Guidelines or a member of the household meets one of another set of criteria), as well as a one-time discount of up to \$100 to purchase a laptop, desktop computer, or tablet from participating providers if they contribute more than \$10 and less than \$50 toward the purchase price.

Environmental

In addition, CommSell's refurbishment of technology saves waste from landfills. E-waste represents 2% of America's trash in landfills, but it equals 70% of overall toxic waste. A large number of what is labeled as "e-waste" is actually not waste at all, but rather whole electronic equipment or parts that are readily marketable for reuse or can be recycled for materials recovery. This is part of the company's principles to lower emissions and waste management.

COMMUNITY SUPPORT AND ENGAGEMENT

The company and its advisors are involved in the community and are in relationship with Claire McCaskill, Cori Bush, Sam Page, and Judge Mike Colona, from whom they could obtain a support letter.

CENSUS TRACT – 29189214300 | 2020 DATA

27.8% POVERTY / 47% MFI / 1.15x UNEMPLOYMENT

CAPITAL STACK

The source leverage is reimbursements and an existing line of credit. \$10MM of allocation is still needed. Funds will be used for working capital to provide expansion opportunities to this growing company.

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