

CrowdOut Secures \$2.5 Million in Funding

AUSTIN, Texas—(BUSINESS WIRE)—CrowdOut Capital, an innovative private lender for middle market companies, announced the closing of \$2.5 million in growth capital. The round was led by Alexander Schoenbaum and other members of CrowdOut’s investor network for debt offerings.

Proceeds from the investment will be used by CrowdOut to continue development of its technology, both front-end for investors and back-end for portfolio management and loan servicing. The team continues to expand to keep pace with business.

“We are proud to have raised this capital entirely from our nationwide network of investors who participate in our loans. CrowdOut fills a need in the private lending space, and it is a vote of confidence to have our investors recognize and believe in the growth of our platform,” said Schoenbaum, Co-Founder and CEO of CrowdOut.

Founded in 2015, CrowdOut is the first and only company in the market using a web-based platform to offer individuals the opportunity to invest as little as \$1,000 directly into corporate loans that range from \$3 million to \$50 million in size. Companies rely on CrowdOut to help reduce lending costs by streamlining the underwriting process and drastically reducing fees, which is in stark contrast to traditional financial institutions and other non-bank lenders. CrowdOut’s underwriting includes extensive due diligence to ensure they know the company inside and out.

CrowdOut has developed a niche in the private credit space by offering borrowers and investors a shorter-term (1 to 4 year) loan that serves as transition capital. Since inception, CrowdOut has delivered a net, unlevered return of 13.1% while maintaining a conservative portfolio of high-quality credit and modest leverage.

About CrowdOut

CrowdOut Capital is a private lending syndication platform that offers profitable, middle market companies a better way to raise capital. Its tech-enabled marketplace provides a solution for companies seeking non-bank lending while offering family offices, institutional investors and accredited investors the opportunity to invest in the private

lending space on a deal-by-deal basis. CrowdOut has led more than \$165 million in originated loans since inception.

To learn more, please visit www.crowdout.com.

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