



HEBREW FREE  
LOAN SOCIETY

125 YEARS

IMPROVING LIVES THROUGH LENDING

## Microenterprise Loans

The Hebrew Free Loan Society (HFLS) fosters economic security and stability through interest-free lending. Our loans are available to low- and moderate-income New Yorkers regardless of religious affiliation.

The Microenterprise Loan Program provides **interest-free loans of up to \$50,000** to residents of New York City’s five boroughs, Westchester County, or Long Island to help launch or expand a business. Loans are repayable in monthly installments beginning one month after the loan is received. The repayment term is determined by HFLS’s Microenterprise Committee, with a maximum term of five years. Monthly loan payments are made by electronic debit of a checking account.

Income limits for HFLS borrowers are based on median family incomes for different household sizes in the area that HFLS serves, as determined by the Department of Housing and Urban Development. The 2017 income limits are:

Household Size	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Household Income	\$76,820	\$87,860	\$98,785	\$109,710	\$118,565	\$127,305	\$136,045	\$144,900

If your annual household income exceeds this amount, please contact HFLS at (212) 687-0188 or [info@hfls.org](mailto:info@hfls.org) to discuss whether you qualify for a loan based on your specific situation.

### GUARANTOR INFORMATION

Two guarantors are required for all loans, and both guarantors must complete and sign Guarantor Forms. **A married couple is considered one guarantor. If a guarantor is married, his or her spouse must also complete and sign the Guarantor Form.**

Each guarantor is “jointly” and “severally” liable for the loan in the event you are unable to pay for any reason. This means that, while HFLS would expect each guarantor to share equally in the responsibility of repaying the loan, each is liable legally for the full amount, and any one guarantor could be called upon to repay the balance due.

### WHO MAY GUARANTEE

Guarantors must meet the following criteria:

- US citizens or legal residents currently living in NYC’s five boroughs, Westchester, or Long Island
- Currently employed (HFLS prefers persons who have worked at least one year in their present position)
- Have a checking account, credit score of at least 680, and total family income of at least \$60,000 a year

### WHO MAY NOT GUARANTEE

- Persons who are unable to repay the loan
- Persons who currently have an HFLS loan or are a guarantor on an HFLS loan

### Contact HFLS

675 Third Ave (at 42<sup>nd</sup> Street), Suite 1905; New York, NY 10017

Phone: (212) 687-0188 x213 Fax: (212) 682-1120

Program Director: Shlomo Haft

Email: [shaft@hfls.org](mailto:shaft@hfls.org)

Website: [www.hfls.org](http://www.hfls.org)



- Persons living in the same household as the borrower
- Pulpit clergy (clergy are often asked to guarantee due to their high visibility within their community; this rule, therefore, exists for their own protection)

### LOAN DOCUMENTS AND INTERVIEW

The documents below are required for a Microenterprise Loan. Once you have completed or collected all the documents below, please email them to Microenterprise Program Director Shlomo Haft at [shaft@hfls.org](mailto:shaft@hfls.org).

From the borrower:

- 1) Microenterprise Loan Application, completed and signed by the borrower (and their spouse, if they are married).
- 2) Household Budget Worksheet
- 3) Copies of government-issued photo IDs that include signatures and serve as proof of address for the borrower and their spouse (e.g. driver's license). If the driver's license does not include the borrower's current address, HFLS will require proof of residency (e.g. a utility bill or account statement).
- 4) Voided check for the borrower's checking account.

From the guarantors (guarantors may choose to send these documents directly to HFLS):

- 5) Guarantor Forms, completed and signed by the guarantors and their spouses, if they are married.
- 6) Copies of government-issued photo IDs that include signatures for the guarantors and their spouses, if they are married (e.g. driver's license or U.S. passport).

***Failure to submit these documents will delay the processing of your application.***

After you submit the documents above, Shlomo will review them and contact you regarding whether HFLS is able to proceed with your loan request. If HFLS is able to proceed with your request, Shlomo will provide information about scheduling a meeting with the NYC Department of Small Business Services (SBS) to prepare your business financials. SBS will advise you of the documentation required for that meeting.

### LOAN DECISIONS AND CLOSING

HFLS's Microenterprise Committee reviews and decides on loan requests once monthly. If the Committee has questions about your application or guarantors, you may receive a call or email from the Microenterprise Program Director or a Loan Officer asking for further information before the Committee will make its decision.

You will receive information by email after the Microenterprise Committee meeting advising you whether your loan was approved. **The Committee, in its discretion, may decline to make a loan, make a loan in an amount less than that requested, or require different or additional guarantors.**

If your loan is approved, you must complete the final loan paperwork and bring the original signed documents to HFLS's Manhattan office to close your loan. **Please do NOT date the final loan documents.** The final paperwork includes:

- A Promissory Note, to be signed by the borrower and their spouse
- A Guaranty of Payment to be signed by the guarantors and their spouses
- A Loan & Security Agreement signed by the borrower and their spouse
- A Profit & Loss Statement for the Business
- An ACH authorization form, so monthly loan payments can be withdrawn automatically from your checking account

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