



Microenterprise Loans

The Hebrew Free Loan Society (HFLS) fosters economic self-sufficiency and stability among New Yorkers in need through interest-free lending. HFLS has provided a “hand up” for people in need and without access to affordable credit since 1892.

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.

The Hebrew Free Loan Society makes interest-free loans to low- and moderate-income New Yorkers. [You can view our income guidelines via a link on the Microenterprise Loans page of our website.](#) These are only guidelines; if you have financial need for an interest-free loan but your household income is higher than the amount listed for your household size, please contact Microenterprise Program Director Shlomo Haft at (212) 687-0188 x213 or shaft@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. 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:

- Currently employed and living, working, and banking in NYC’s 5 boroughs, Westchester, or Long Island
- Have a checking account, credit score of at least 680, and total family income of at least \$60,000 a year
- HFLS prefers persons who have worked at least one year in their present position and/or have work history in their current field of work

Contact HFLS

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

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

Email: shaft@hfls.org Website: www.hfls.org



WHO MAY NOT GUARANTEE

- Persons living in the same household as the borrower
- Persons who currently have an HFLS loan or are a guarantor on an HFLS loan
- Persons on a fixed, limited income (such as Social Security)
- Pulpit Rabbis (rabbis are often asked to guarantee due to their high visibility within the Jewish community; this rule, therefore, exists for their own protection)

LOAN PROCESS

Once you have completed or collected all the documents below, please email them to Microenterprise Program Director Shlomo Haft at shaft@hfls.org.

- 1) Microenterprise Loan Application, completed and signed by you (and your spouse, if you are married)
- 2) Household Budget Worksheet
- 3) Guarantor Form(s) completed and signed by the guarantors (including their spouses, if married)
- 4) A copy of a government-issued photo ID such as a driver's license or U.S. passport from you, your spouse, and your guarantors and their spouses
- 5) A voided business check

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. Also, note that the guarantors' signatures on the final loan documents must be NOTARIZED.** 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 – must be notarized
- 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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