



HFLA of Northeast Ohio

LENDING INTEREST-FREE SINCE 1904.



BUSINESS LOAN

HFLA Business Loans enable businesses to meet demand and grow their company by providing much needed capital when traditional lenders are unwilling to take on the risk. Business loans are able to supplement existing financing and can be used for a variety of purposes including, building purchase or renovation, order fulfilment, start-up capital, and more.

APPLICANT QUALIFICATIONS

Additional qualifications may be requested.

- Applicant and business must be within the service area.
(Cuyahoga, Geauga, Lake, Lorain, Mahoning, Medina, Portage, Summit, Trumbull counties)
- Have an income with the ability to repay the loan on a monthly basis.
- Each owner of the company having a 20% or more interest, shall guaranty the loan.
- Must be able to provide thorough documentation for business.
(including; business plan, financial statements, resumes of owners, tax returns, lease agreement, proof of business insurance, etc.)

LOAN FACTS

General overview of what to expect.

1. Credit will be checked for all applicants.
With an emphasis on repayment history, not a 3-digit credit score.
2. The maximum loan amount is \$15,000.
3. Upon approval, all checks are made payable directly to business.
4. Additional collateral may be requested.
(cost associated with filing a security interest in favor of HFLA is borne by the borrower)

OUR MISSION

HFLA of Northeast Ohio provides interest-free loans to promote the economic self-sufficiency and growth of Northeast Ohioans who are unable to access safe and fair lending resources.

Fill out and submit a loan application: [INTERESTFREE.ORG/HOW-TO-APPLY/](https://interestfree.org/how-to-apply/)

(216)-378-9042

team@interestfree.org



Business Loan Guidelines

- Loan applicants must be businesses located in Northeast Ohio that are unable to obtain the money from a conventional lender or other sources
- The maximum loan amount is \$10,000
- Each owner of the company having a 20% or more interest, shall guaranty the loan
- Additional collateral may be requested at the discretion of the loan committee/board (Cost associated with filing a security interest in favor of HFLA is borne by the Borrower)
- The following materials must be provided in order for an application to be considered complete:

Completed Application forms	
Complete Business Plan (if reviewed by SBDC, letter re same)	
Financial Statements—Balance Sheet; Projections (3 years); YTD Income statement; AP/AR Aging; Most recent (2 months) Bank Statements	
Sources and Uses Statement	
Resumes of all Business Owners (owning 20% or more)	
Articles of Incorporation/Organization; Code of Regulations (By-laws)/Operating Agreement	
Most recent tax return	
Lease Agreement/Deed for real estate/business location	
Proof of Insurance for Business	
Information regarding other debt (including UCCs; liens)—may require lien/judgment search; subordination agreement	

- After a complete application is received an interview will be scheduled for the applicant with the loan committee.
- There are no prepayment penalties or fees. All repayments commence in the month following the initial loan disbursement. The repayment schedule for Business Loans is as follows:
 - Loans up to **\$4,000** must be repaid within **12-15 months**
 - Loans up to **\$8,000** must be repaid within **24 months**
 - Loans up to **\$10,000** must be repaid within **36 months**

If you have any questions or would like additional information, please contact the HFLA office at 216-378-9042 or email team@interestfree.org



23300 Chagrin Blvd. Suite 204, Beachwood, OH 44122
 T: 216-378-9042 | F: 216-378-9007 | team@hfaclev.org

Business Loan Application		Referred By: _____	
Amount Requested: \$ _____ (max \$10,000)			
Business Name _____			
DBAs _____			
EIN/DUNS # _____		Business Start Date _____	
Address _____		City _____	Postal Code _____
Phone: _____	Fax: _____	Email: _____	
Business Website: _____			
Type of Business Structure _____			
Type of Business _____			
State of Incorporation/Organization _____		(if not Ohio, is business authorized to do business in Ohio: _____)	
State Business ID # _____			
Year Business Established _____			
List of Owners/Shareholders/Partners (with ≥ 20% interest):			
Title	#of Years	% Interest	Name
Is Business a M/WBE? ____ (yes) ____ (no)			
Current No. of Employees _____			
Will this Loan create any additional Jobs? ____ (yes) ____ (no)		If so, how <u>any</u> ? _____	
Lease or Own? _____		If lease, name of Landlord _____	Term of Lease _____
If Own, is there a mortgage? _____		Name of Mortgagee _____	Principal Amt of Loan _____
Maturity _____			
How long at this Address? _____		If less than 2 years, previous address _____	
Name of Financial Institution _____			
Name of Attorney: _____		Phone: _____	
Name of Accountant: _____		Phone: _____	

LOAN REQUEST INFORMATION

Dollar Amount	Specific Purpose (Cost)
\$ _____	_____
\$ _____	_____
\$ _____	_____
\$ _____	_____

BUSINESS DESCRIPTION (2 or 3 sentences):

WHY ARE YOU ASKING FOR A LOAN? (1 or 2 sentences):

SUMMARY COMPANY FINANCIAL INFORMATION (include 3 or 4 sentences briefly discussing the historical results and the key assumptions for the projections):

	2018 Actual	2019 Actual	2020 Projected	2020 (to date) Actual	2021 Projected	2022 Projected
Sales						
COGS						
Gross Profit						
SG&A						
Operating Profit						
Interest Exp						
Pre Tax Profit						
Principal Pmts						
Pre Tax Cash Flow						

MANUFACTURING FACILITY (2 or 3 sentences on the production process. If applicable):

PRODUCTS AND SERVICES (2 or 3 sentences describing key products and/or services):

KEY SUPPLIERS (2 or 3 sentences on relationship. If applicable):

MARKETING PLANS (include 2 or 3 sentences detailing how you advertise):

MISCELLANEOUS INFORMATION

Are business tax liabilities current? Yes No Settled through: _____

Is the business an endorser, guarantor, or co-maker for any obligation not listed in the financial statements? Yes No

If yes, what is the contingent liability?

Has the business or principal owner ever declared bankruptcy? Yes No
If yes, provide details on a separate sheet.

Is the business a defendant in any lawsuit? Yes No
If yes, provide details on a separate sheet.

Are any of the business assets encumbered by liens or attachments of any type? Yes No

What _____	By whom _____	Amount \$ _____
What _____	By whom _____	Amount \$ _____
What _____	By whom _____	Amount \$ _____

CERTIFICATION

The undersigned certifies that, to the best of his or her knowledge and belief, all information contained in this loan application and in the accompanying statements and documents is true, complete, and correct. The undersigned agrees to notify HFLA of Northeast Ohio immediately of any material changes in this information.

The undersigned authorizes HFLA to contact, obtain and verify the accuracy of the information contained in this application form, including from any financial institutions, trade creditors or employers it deems necessary. _____ also hereby releases HFLA and its representatives, officers, directors and agents from any liability for seeking, gathering and utilizing any such information to make decisions relating to this application.

Further, _____, by its authorized officer, acknowledges and agrees that any misrepresentation or material omission made on this application will be sufficient cause for denial of this application or default of any loan documents entered into with HFLA pursuant to this application.

HFLA of Northeast Ohio is authorized to retain this application whether or not credit is approved. This application does not obligate HFLA of Northeast Ohio to make any loan even if you meet the normal standards HFLA of Northeast Ohio considers in determining whether to approve or deny the application.

Business Name _____

By: _____

Its: _____

Date: _____



23300 Chagrin Blvd. Suite 204, Beachwood, OH 44122
 T: 216-378-9042 | F: 216-378-9007 | team@interestfree.org

Business Owner Information				
Business Name: _____		Percentage of Ownership: _____ %		
Applicant's Last Name	First Name	Date of Birth (MM/DD/YY)	Social Security #	Driver's License #
Previous Name(s) if Applicable	Primary Phone Number	Secondary Phone Number	Email Address	
Address		City	Postal (Zip) Code	# of years at this address
				# of years in Ohio
Previous Address		City	Postal (Zip) Code	# of years at previous address
Current Employer		Occupation/Title		Employer Phone Number
Employer Address				# of years at this job
Marital Status: <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Divorced <input type="checkbox"/> Separated <input type="checkbox"/> Widow/Widower <input type="checkbox"/> Spouse/partner Household Type: <input type="checkbox"/> 2 Parent Household <input type="checkbox"/> Single Parent Household <input type="checkbox"/> Single Adult <input type="checkbox"/> 2 or more adults (no dependents in home)				
Dependents (<i>write-in age & circle gender</i>) _____ M/F _____ M/F _____ M/F _____ M/F _____ M/F				
Spouse/Partner's Last Name	First Name	Date of Birth (MM/DD/YY)	Social Security #	Primary Phone Number
Spouse's Current Employer		Spouse's Occupation/Title		Spouse's Employer's Phone Number

Applicant Name:

MONTHLY INCOME	BORROWER	SPOUSE/PARTNER
Salary / Commission	\$	\$
Soc Sec / Disability / Workers Comp	\$	\$
Retirement / Pension Benefits	\$	\$
Child Support / Alimony	\$	\$
Other Income	\$	\$
TOTAL MONTHLY HOUSEHOLD INCOME	\$	<input type="checkbox"/> Gross <input type="checkbox"/> Net

Housing Expenses

Rent/Mortgage		
2nd Mortgage/Home Equity Loan		
Property Taxes (if not included in mortgage)		
Homeowner's Insurance (if not included in mtg.)		
Homeowner's Association Fees		
Utilities (electric, gas, water, sewer)		
Cell Phone/Home Phone		
Internet/Cable		

Personal Expenses

Food (Groceries)		
Toiletries/Clothing		
Pet Care		
Recurring donations/tithes		

Transportation

Car Payment		
Gasoline		
Public Transportation		

Insurance

Auto Insurance		
Healthcare Premium (if not taken out of pay)		
Life Insurance		

Medical

Prescriptions		
Medical/Dental Bill Pymt. Plan		

Childcare

Daycare/Babysitter (monthly)		
Before/Aftercare (monthly)		

Educational Expenses

Tuition		
School Supplies		
Extra curricular lessons (swim, dance, sports...)		

Debts

Total minimum monthly credit card payments		
Total minimum monthly student loan payments		
Total minimum monthly personal loan payments		
Other		

Taxes

Income Taxes		
Business Taxes/Addtl Real Estate Taxes (ex: rental prop.)		

For Office Use:

Monthly Net Income	
Monthly Expenses	
Proposed HFLA Payment	
Remainder	

Other Income Sources

Check any of the following income sources that you receive: Social Security/Disability (SELF) Social Security/Disability (DEPENDENTS)

Child Support/Alimony Pension/Retirement OWF (Cash Assistance) Unemployment Other

Please enter the amount received for any income sources checked: _____

Frequency of Payment (weekly, biweekly, monthly, etc.): _____

Debt/Asset Information:

Student Loan(s) Amount Owed: _____ Line of Credit Amount Owed: _____ Credit Card 1 Amount Owed: _____

Credit Card 2 Amount Owed: _____ Other (Please describe) _____

Do you have any payday loans outstanding? Yes No If yes, amount owed: \$_____

Available Assets

Cash & Investment Assets (e.g. stocks, cash, investments) _____

Other Assets (e.g. vacation property) _____

Additional Information

Did you apply to a bank or other sources for a loan? Yes No If not, why not? _____

If you were declined for a loan, **please provide a copy of the decline letter** and state the reason for the decline: _____

How did you hear about HFLA? Friend/Family Member Website Synagogue/Religious Institution Social Services Agency/Caseworker
 Other, please specify: _____

Credit Reporting

HFLA of Northeast Ohio reports our loans for all borrowers to the credit bureaus as a Credit Reporting Agency through Credit Builder’s Alliance, a non-profit dedicated to helping individuals build strong credit and other financial assets. HFLA will report the borrower and co-borrower on this loan to the credit bureaus through Credit Builder’s Alliance, if you do not opt out of the program. Your guarantor(s) will not have this loan reported on his/her credit report, unless you fail to make payments and s/he takes over your monthly obligation. Regardless of your decision to have the loan reported through Credit Builder’s Alliance, if the loan goes into default—meaning neither you nor your guarantor(s) make payments—this loan will be reported as a delinquent account to the credit bureaus for all parties: borrower, co-borrower (if applicable), and guarantor(s).

Check here to opt OUT of having this loan reported to the bureaus: **Reason:** _____

TAX ISSUES

Do you or your spouse/partner have any un-filed tax returns? Yes No If Yes, please explain below

Do you or your spouse/partner owe any amounts for taxes? Yes No If Yes, for which year(s)? _____

Amount(s) owed: \$ _____ Have you established a payment plan? Yes No

Please explain: _____

LEGAL ISSUES

Are you or your spouse/partner being sued by anyone? Yes No If Yes, please explain below

Amount: \$ _____ Reason: _____

Are you in the process of or planning to file for divorce? Yes No

Please explain: _____

Optional Information (not used for loan consideration)

Ethnicity: _____ Religious Affiliation: _____



Privacy and Disclosures

The information in this application is for the purpose of obtaining credit and you are warranting and representing that it is true and correct. In signing this document, any borrower, cosigner, or guarantor agrees to pay all bills upon receipt or statement or as otherwise expressly agreed.

By submitting this application, you authorize HFLA of Northeast Ohio (HFLA) to obtain credit reports in connection with this application, modification of any loan received, or as needed, by HFLA. Upon request, we will advise you of the name and address of any agency furnishing the report. You, the borrower and any co-borrower, also authorize anyone named in this application or referenced on any credit report (including any co-signers, guarantors, employers or references) to verify any information given in this application or on the credit report.

HFLA collects nonpublic personal information about you, the borrower and any co-borrower, co-signer(s), or guarantor(s). We restrict access to your personal information to process the loan application and collect loan payments. We maintain procedural, physical and electronic safeguards to guard your nonpublic personal information. We do not disclose any nonpublic personal information about you to anyone, except as permitted or required by law. We will continue to adhere to the privacy policies and practices as described in this notice even after you satisfy your loan obligation to us. Your confidence in us is important and we want you to know that your personal information is protected. If you have any questions or concerns, please contact us.

Through Credit Builder’s Alliance, HFLA is able assist its borrowers build a positive credit history, by offering you the option of having your loan payments reported to the credit bureaus. We can also provide referrals to various nonprofits that offer free credit counseling. It is important to note that if you default on your loan, it will be reported as a delinquent account on your, your co-borrower’s, and guarantor(s)/cosigner(s)’ credit reports, regardless of your participation in the credit building program.

By signing this form, you certify that the information you provide in the application is true, and that you agree with HFLA’s aforementioned policies.

Borrower Signature: _____ Date: _____

Co-Borrower Signature: _____ Date: _____