New York Forward Loan Fund (NYFLF)
Empire State Development

A Division of Empire State Development

11/20/2020
New York Forward Loan Fund (NYFLF)

New York Forward Loan Fund (NYFLF) is a new economic recovery loan program aimed at supporting New York State small businesses, nonprofits and small residential landlords as they reopen after the COVID-19 outbreak and NYS on PAUSE.

It targets the state’s nonprofits with 20 or fewer employees. The working capital loans of up to $100,000 are timed to support organizations as they proceed to reopen and have upfront expenses to comply with guidelines (e.g., inventory, marketing, refitting for new social distancing guidelines) under the New York Forward Plan.

These loans are available to nonprofits that did not receive a U.S. Small Business Administration Paycheck Protection Program of greater than $50,000 or an Economic Injury Disaster Loan (EIDL) for COVID-19 of any amount, except for EIDL advance grant of up to $10,000.

The loans are not forgivable in part or whole. The loans will need to be paid back over a 5-year term with interest. In addition at least 60% of the loans will be made to Minority and/or Women owned businesses.
How do I apply?

**PRE-APPLICATIONS** are now OPEN ONLINE at:  [www.nyloanfund.com](http://www.nyloanfund.com)

This is not a first-come, first-served loan program. Applications will be reviewed on a rolling basis.

Five (5) Community Development Financial Institution (CDFI) lenders are accepting applications.

The application portal will help you choose the best lender for your industry and area.

**Please do not apply to a lender directly!**

**Small Businesses:** Accion East, National Development Council Impact Loan Fund, Pursuit and TruFund Financial Services

**Nonprofits:** National Development Council Impact Loan Fund and TruFund Financial Services.

**Small Residential Landlords:** Community Preservation Corporation
NONPROFITS

New York Forward Loan Fund
New York Forward Loan Fund – Loan Terms (Nonprofits)

Working Capital loans can be up to $100,000 on a five-year term.

NONPROFITS

Loan Amounts:
• For nonprofits, lesser of (a) $100,000 or (b) up to 100% of average monthly expenses for a 3-month period prior to the COVID-19 outbreak; the 3-month period can be any 3-month period from 2019 or January to March 2020.

Interest Rates:
• For nonprofits, the fixed annual interest rate on the loan will be 2%.

Repayment: Term: 5 years (60 months).
• For months 1 - 12: Interest only payments, paid monthly.
• For months 13 - 60: Interest and principal payments, paid monthly.
New York Forward Loan Fund – Loan Terms (Nonprofits) (continued)

Use of Proceeds:
- Proceeds are required to be used for working capital, such as inventory, marketing, refitting for new social distancing guidelines, operating and emergency maintenance, property taxes, utilities, rent, supplies, payroll, etc.
- Refinancing of an existing loan is not permitted.
- The loan applicant will be required to detail anticipated use of funds when they apply.

Borrower Fees:
- No application fees. Late fee will be assessed for missed payments.

Recourse:
- No collateral is required.

Prepayment:
- Borrower may prepay the loan without penalty.
New York Forward Loan Fund – Nonprofit Eligibility

To be eligible for a New York Forward Loan Fund working capital loan, a nonprofit must meet the following requirements:

• Organized as 501(c)(3) or faith-based organization (cannot be used for support of religious worship or activities);
• Employ 20 or fewer full-time equivalent (FTE) employees;
• Provide direct services to New Yorkers for example - arts education and after-school programs, arts fellowships, creative aging services for seniors, community and public arts projects, food banks, soup kitchens, museum programming, clothing banks;
• Have an annual operating budget of less than $3 million per year;
• **Must not have received a U.S. Small Business Administration Paycheck Protection Program of greater than $50,000 or an Economic Injury Disaster Loan (EIDL) for COVID-19 of any amount, except for EIDL advance grant of up to $10,000.**
• Have suffered a direct economic hardship as a result of COVID-19 related social distancing policies and stay-at-home order that have materially impacted their operations;
• Been in operation for at least 1 year as of the date of loan application and be located in the State of New York.

Note: Please note that the pre-application should be completed and submitted by a member of the nonprofit’s executive team and will be required to attest to the information therein.
New York Forward Loan Fund – Nonprofit Documentation

As part of the application, a nonprofit loan applicant must provide the following documentation:

• Most recent audited or reviewed financial statements, as applicable, and most recent internal financial statements, if available;
• Most recently filed IRS Form 990;
• Evidence of legal formation of nonprofit entity (Articles of Incorporations and/or Bylaws);
• Executed Attestation Form (to be provided by lender);
• Information of the nonprofit’s executive team member signing (name, address, Social Security number, phone number, e-mail, photo ID);
• Nonprofit board approval and resolution; and
• Brief description of COVID-19 impacts on jobs and revenues.

Your lender will reach out to the loan applicant to collect the required documentation, conduct any credit checks, and finalize the application review process with you.
APPLICATION QUESTIONS

New York Forward Loan Fund
New York Forward Loan Fund – Application Questions

Once you start an application, you will be asked to answer a series of questions:

1. How much do you want to borrow?

The maximum loan amount for the New York Forward Loan Fund is $100,000. The amount you are eligible for depends on:

- For nonprofits, the maximum loan amount is 3 months average monthly expenses before the COVID-19 outbreak, up to $100,000.

Please read all of these subheads - they contain important information.
How do you plan to use your loan?

Proceeds are required to be used for working capital. Please select working capital.

Select Reason
- Working Capital
- Start a Business
- Acquire a Business
- Purchase Inventory
- Purchase Machinery or Equipment
- Make Building Improvements
- Building Acquisition
- Refinance Existing Debt
- Other

2. How do you plan to use your loan?
   - Proceeds are required to be used for working capital.
   - Please select working capital.
New York Forward Loan Fund – Application Questions (continued)

Once you start an application, you will be asked to answer a series of questions:

3. When do you need financing by?
   • Please choose the timing range closest to your needs.
4. Tell us a little about your business.
   - Business should detail your name, business type, industry and time in business.
   - Applicants must have been in operation for at least one year.
   - Small landlords should select “landlord” as their industry.
5. **Where is your business located?**

- Applicants must have a valid business address within the State of New York.
- For small residential landlords, your building(s) must be located in the State of New York.
New York Forward Loan Fund – Application Questions (continued)

Once you start an application, you will be asked to answer a series of questions:

6. How should we reach you?
   - For nonprofit applicants, please include contact information for a member of the organization’s executive team.
   - PLEASE MONITOR THIS CHANNEL for contact.
7. What was your total revenue last year?
   • For nonprofits, please use your annual operating budget and cannot exceed $3 million.
New York Forward Loan Fund – Application Questions (continued)

Once you start an application, you will be asked to answer a series of questions:

8. Did you earn a profit last year?
   • Select Yes or No.
New York Forward Loan Fund – Application Questions (continued)

Once you start an application, you will be asked to answer a series of questions:

9. What was your annual net profit last year?
   • Enter an approximate value.
10. I need a few more details about your business.

- Small businesses and nonprofits must employ 20 or fewer full-time equivalent (FTE) employees.
- Prior bankruptcies will not disqualify you from receiving a New York Forward loan.
New York Forward Loan Fund – Application Questions (continued)

Once you start an application, you will be asked to answer a series of questions:

11. Do you have collateral to support the loan?
   - The New York Forward Loan Fund does NOT require collateral to receive a loan.
New York Forward Loan Fund – Application Questions (continued)

Once you start an application, you will be asked to answer a series of questions:

12. How much revenue do you expect to make this year?
   - Select an estimated value.
Do you have a business plan?

- A complete business plan will include financial projections, a market analysis, and an overview of your business.
- It is not required to have a business plan to receive a New York Forward loan.
New York Forward Loan Fund – Application Questions

Once you start an application, you will be asked to answer a series of questions:

14. Is your business owned by women, people of color, veterans, and/or LGBTQ-identifying people?

• For nonprofits, please answer for your executive team.
• Select Yes or No (If you select No, your next question will be number 16).
15. Is your business owned by women, people of color, veterans, and/or LGBTQ-identifying people?

- Select all that apply.
- For nonprofits, please answer for your executive team.
16. What is your Personal Credit Score?

- Nonprofits are not subject to credit checks.
New York Forward Loan Fund – The Matching Screen

When you are successfully matched, you need to select a lender:

Select a lender by clicking the CONNECT button.
New York Forward Loan Fund – Confirmation of Selection

You will receive a match confirmation after selection:

John, excellent choice!

Thank you for inquiring about the New York Forward Loan Fund and using Connect2Capital.

Here’s what happens next.

1. We’ve notified Accion on your behalf.
2. You will receive an invitation to apply from Accion when your loan comes up for review.
3. Check your email for confirmation of your match. Be sure to check your SPAM folder if you don’t see it.
4. If you have questions about the NYFLF – please review the FAQs on the landing page link or submit individual questions here with the topic ‘Business Loan Assistance’

Your Accion Representative

The Accion Loan Team
NYFLF@accionusa.com
https://us.accion.org/region/the-east-coast/
80 Malcolm Lane
Suite 903
New York, New York 10010

Accion is passionate about small businesses. We take the time to learn about every applicant’s strengths and look forward to learning about your business.

Your Match Details

[Table with columns: ACCION, Payment Frequency: Monthly, Loan Term: 5 Years, Collateral: Unsecured, Loan Type: Term Loan]

“Thank you for your application. You are now in queue. We will communicate by email the status of your application. Please check your SPAM folder to ensure you receive information about next steps.”

Be sure to monitor your preferred contact method in the coming days and be ready to respond quickly!

(WATCH YOUR SPAM FILTER!)
SPECIAL NOTES & RESOURCES

New York Forward Loan Fund
New York Forward Loan Fund – Special Notes (example payments)

What will my monthly payments look like?

- Your monthly payments will vary based upon the amount of money you borrow.
- Your monthly principal and interest payments are based on a straight-line amortization assuming full repayment at 60 months.
- Calculations for illustrative purposes only.

<p>| Example $100,000 Loan Required Monthly Payments |  |</p>
<table>
<thead>
<tr>
<th>Time</th>
<th>Monthly Payment @ 3%</th>
<th>Monthly Payment @ 2%</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 12 Months</td>
<td>$250.00</td>
<td>$166.67</td>
<td>Interest Only</td>
</tr>
<tr>
<td>13 - 60 Months</td>
<td>$2,213.43</td>
<td>$2,169.51</td>
<td>Principal and Interest</td>
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<p>| Example $50,000 Loan Required Monthly Payments |  |</p>
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<th>Time</th>
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<th>Monthly Payment @ 2%</th>
<th>Notes</th>
</tr>
</thead>
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<tr>
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<td>$125.00</td>
<td>$83.33</td>
<td>Interest Only</td>
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<tr>
<td>13 - 60 months</td>
<td>$1,106.72</td>
<td>$1,084.76</td>
<td>Principal and Interest</td>
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</table>

<p>| Example $20,000 Loan Required Monthly Payments |  |</p>
<table>
<thead>
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<th>Time</th>
<th>Monthly Payment @ 3%</th>
<th>Monthly Payment @ 2%</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 12 Months</td>
<td>$50.00</td>
<td>$33.33</td>
<td>Interest Only</td>
</tr>
<tr>
<td>13 - 60 months</td>
<td>$442.69</td>
<td>$433.90</td>
<td>Principal and Interest</td>
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</table>
Free Assistance Preparing Applications

Free assistance to prepare and submit the loan application is available from:

• SBA Small Business Development Centers (SBDC): http://nysbdc.org/
• Entrepreneurship Assistance Centers (EAC): https://esd.ny.gov/sites/default/files/EAC%20Contact%20List.pdf
• Business Mentor NY COVID-19 Volunteer Task Force: www.businessmentor.ny.gov
• ESD Small Business Division: https://esd.ny.gov/doing-business-ny/small-business-hub
• NYS Homes and Community Renewal Program Page (for small landlords): https://hcr.ny.gov/NYForwardLoan
• If you have any questions on the program please email nyloanfund@esd.ny.gov
Applying for a New York Forward Loan for your Non-Profit

November 19th, 2020
MISSION
TruFund’s mission is to help historically disadvantaged individuals and communities create thriving and resilient small businesses and entrepreneurial ecosystems in order to close racial and economic disparities and ensure an inclusive and equitable society.

WHAT WE DO
We offer affordable loan capital to small businesses and nonprofit organizations that are financially viable but have difficulty accessing affordable capital from banks or other mainstream lenders.

About TruFund Financial Services
TruFund Financial Services is a US Treasury certified nonprofit Community Development Financial Institution (CDFI) established in 2005 with headquarters in New York City and field offices in Alabama, Louisiana and Texas.

In New York State, TruFund serves the five boroughs of New York City; Suffolk, Nassau and Westchester counties; and the regions of Mid-Hudson, Western New York and The Fingers Lakes.
New York Forward Loan Fund

• Getting Ready to Apply to NY Forward

• Prepare your documents

• 2019 990s or internally prepared financial statements (income statement)
• 2020 YTD income statement if available
• Legal formation documents and Articles & Bylaws
• Letter from board authorizing ability to sign for the NY Forward Loan
• Bank statements from February 2020 to date
• Copy of photo ID
New York Forward Loan Fund

Steps to Apply for the NY Forward Loan Fund

1) Submit a pre-application through www.nyloanfund.com

2) Your selected lender will be in touch with you in one to two weeks

3) Your lender will verify your eligibility and provide a full application and document request list.

4) Your lender will help you to complete your application and understand required documents

5) From the time that a full application and required documents are submitted, underwriting and the closing process can take one to two weeks.
New York Forward Loan Fund

• Suggestions for a successful loan application process

• Be sure the financial statements are complete and accurate

• Be prepared to answer questions about your organization’s finances. For example:
  o Please explain your sources of revenue?
  o Do you experience seasonality?
  o Are there unusual or one-time expenses in your past financials that we should be aware of?

• Be prepared to explain the impact that the COVID-19 pandemic has had on your organization as well as your plan for sustaining and recovering.

• Also, be prepared to itemize the use of the loan and explain how it will help your organization through the pandemic.

• Finally, understand that loan amounts are ultimately determined by an assessment of your ability to support loan repayments based on your past cash flow.
Thank you
To learn more about TruFund Financial Services, please contact:

Brian Gurski  
Vice President, Strategy & Innovation  
(646) 768 – 8831  
bgurski@trufund.org

NEW YORK – HEADQUARTERS:  
212.204.1303  
newyork@trufund.org

WWW.TRUFUND.ORG
QUESTIONS and ANSWERS

Please use the CHAT WINDOW to submit your questions.
NYSCA Contact Information

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Together we will move forward!
Thank you for supporting Small Business in New York State