WEPROSPER
Building Community Wealth

RESOURCE GUIDE:
Affordable Alternatives to Predatory Loans

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WOODSTOCK INSTITUTE
Advancing Economic Justice and Racial Equity

NEW AMERICA

Financial Inclusion for All Illinois

Available online at WeProsperIL.org

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If you are struggling to make ends meet or pay for an emergency, this guide can help you with safe and affordable options to high-cost loans. It includes ways to lower your bills and find other sources of income, as well as lower-cost loans. Most of these options do not require you to take on more debt.

New Chicago/Cook County Hotline - 211

Residents of Chicago and suburban Cook County now have access to a free hotline to help them with their essential everyday needs. The 211 system can connect residents to essential health and social support services and information during times of non-emergency crisis. Call 211 (open 24/7) or visit their website at **211metrochicago.org**. (311 is still active for non-emergency city services.)

Option 1: Get Help Lowering Bills

There are many ways to lower your expenses. Most companies have programs to help customers experiencing economic hardship. You may be able to negotiate with your creditors to lower what you owe. Tell your creditors and other companies to whom you owe money if you are experiencing an economic hardship.

Housing

Homeowners: If you are struggling financially, you may qualify for a mortgage forbearance, which allows you to postpone paying your mortgage. The easiest way to obtain a mortgage forbearance is to apply on your mortgage servicer's website or call them directly.

If you have a complicated situation, are encountering obstacles, and/or prefer to speak to a live person, use **the US Department of Housing and Urban Development's Housing Counseling Services tool** or call 800-569-4287 (multilingual assistance available). If you're facing foreclosure, call 888-995-HOPE (4673) to be connected to free, comprehensive, foreclosure assistance 24/7.

Seniors: Illinois has expanded **the Senior Citizen Real Estate Tax Deferral Program**, which allows qualifying seniors to defer property taxes. Beginning with property taxes due in tax year 2023, the interest rate for eligible seniors who defer their property taxes has been lowered from 6% to 3%. **Note that because past-due taxes are still accruing interest under this program, seniors should aim to pay their taxes on time unless it would cause extreme hardship.** **Learn more here**.

Tip! Prioritize Essential Expenses First

Pay for essential needs before anything else. Essentials include shelter (mortgage or rent), food, and utilities. Before an unpaid bill can be reported to the credit bureaus, which would harm your credit score, it must be at least 30 days late. A single late payment fee before a bill is 30 days late is preferable to getting stuck with a high-cost loan, which will cost you much more in fees. If you are uncertain about which option might be preferable, you can always call Capital Good Fund's **Financial Coaching Department** at 866-584-3651.

Renters: Rental assistance can take a lot of pressure off your overall finances. Consider these resources for rental assistance options and applications:

- The Illinois Court-Based Rental Assistance Program (CBRAP) provides funding to Illinois tenants and housingproviders/landlords across Illinois who have pending cases in eviction court. Applicants may qualify for upto $15,000 in emergency rental payments that can be applied to past due rent, up to $500 for court costs,and up to two months' future rent to prevent eviction. The Illinois Housing Authority will reopen CBRAP and begin accepting new applications later this summer.
- The **Illinois Low-Income Home Energy Assistance Program (LIHEAP)** provides eligible Illinoisians withhelp paying utility bills, rent, temporary shelter, food, and other household expenses.
- The Law Center For Better Housing (LCBH) has created **Rentervention**, a virtual assistant that can connectyou with guidance and professional legal help for housing issues. Rentervention primarily focuses on Chicago residents, but can assist any Illinois resident. To get started, text "Hi" to 866-7RENTER.
- The Illinois Department of Health and Human Services' **Homeless Prevention Program** provides assistance to those who are in danger of eviction, foreclosure, homelessness, or are currently homeless. This program stabilizes people in their current homes, shortens the amount of time people spend in shelters, and assists people and families with securing affordable housing.

If you're being threatened with eviction, visit **EvictionHelpIllinois.org** for free legal assistance. If you're worried about eviction, you can find free legal help, rental assistance programs, and other resources at **Chicago.gov/eviction** (for Chicago residents) and **Cook County Legal Aid** (for Cook County residents).

Housing Counseling: **Housing counselors** provide guidance on buying a home, renting, loan defaults, foreclosures, and credit issues. Many housing counseling organizations offer financial wellness education at no cost to the participant. Some reputable organizations in Chicago that provide housing counseling are:

- **Spanish Coalition for Housing**
- **Chicago Urban League**
- **The Resurrection Project**

211 Hotline: You can also try **Chicago's 211 hotline** to be connected with housing assistance.

Car Payment

Options for assistance during an economic hardship may include changing the due date of your payments, creating a new repayment plan to lower your monthly payment, or deferring (postponing) your payments. Contact your lender for more information.

The city of Chicago's **Clear Path Relief Program (CPR)** provides low-income motorists with relief for vehicle-related debt, except for expired meter tickets. Applicants are required to have outstanding vehicle-related debt and be the

registered owner of the vehicle associated with the debt.

Utilities and Internet

Utilities

All major Illinois utility providers have their own bill assistance programs including **ComEd**, **Peoples Gas**, **North Shore Gas**, **Nicor**, and **Ameren**. Contact your provider to access funds and policies set aside for financial support.

If you are lower income, contact both your utility provider and the following state utility assistance programs:

- Applications for the **Illinois Low-Income Home Energy Assistance Program (LIHEAP)** are open until August 15, 2025, or until funding is exhausted. This application is open to all income eligible households as of August 1, 2024. Go to **Find My Local Agency** to locate your LIHEAP Local Administering Agency.
- For help with gas and electric bills, visit the **State of Illinois Utility Bill Assistance website** or call 877-411-WARM (9276) (Mon–Fri, 8 a.m.–5 p.m.).
- For help with water, sewer, and energy bills, visit **HelpIllinoisFamilies.com** to learn more about Illinois's new assistance program.

For more information, call **Chicago's 211 hotline** for housing or utility bill assistance in the Chicago and Cook County area.

Internet

- Eligible Illinois residents can access low-cost internet at $15/month, affordable refurbished computers, and digital education training through the nonprofit PCs for People. To learn more and shop, please visit **www.pcsforpeople.org**.
- **The federal Lifeline program** is another government program lowering the cost of phone or internet service for eligible households.
- Many internet service providers offer affordable internet programs, including **AT&T**, **Verizon**, **Comcast/Xfinity**, **Spectrum**, **Life Wireless**, and **RCN**. The Citizens Utility Board has compiled information on these programs **here**.

Student Loans

For those with federal student loans, if you have not done so already, log in to your **Federal Student Aid** account and make sure your contact info is up-to-date. If you are having trouble affording your student loan payments, use the Federal Student Aid website's **Loan Simulator** to find out about repayment options relative to your personal situation.

- One set of options are **income-driven repayment (IDR) plans**, which are plans that make repayment more affordable by pegging your monthly loan payment to your income. Borrowers should review **all their options** to figure out which best fits their financial situation. Note that the **Saving on a Valuable Education (SAVE) plan** is a newer and much more generous IDR plan that could reduce your monthly payment to $0.
- All of the IDR plans provide that after 20 or 25 years of repayment, any additional debt will be forgiven. Borrowers who enroll in an IDR plan may therefore want to rethink their repayment strategy: rather than aiming to pay off your debt, you may want to focus on making your monthly payment as low as possible and take advantage of debt forgiveness in the future.

For a more comprehensive breakdown of your options for managing student loan payments, visit the National Consumer Law Center's **Student Loan Borrower Assistance website** or the Student Borrower Protection Center's **Cancel My Student Debt** website. The State of Illinois also has a series of webinars online about managing student loan payments – learn more at **go.uillinois.edu/repay**.

Automatic, Recurring Payments

Many people pay their bills through automatic, recurring payments (e.g., subscriptions, gym memberships, loans, credit cards). We recommend canceling unnecessary subscriptions and re-subscribing when your financial situation improves.

If canceling is not the best option, contact the companies that deduct money through autopay to explain your situation. They may be willing to temporarily freeze your account. If that's not an option, you have the right to stop automatic, recurring payments and to revoke your authorization for the company to deduct money. This will not relieve you of your obligation to pay the company, but you can manually control the timing of the payment and make the payment only after you have paid for essential items.

Credit Cards

Major credit card companies have assistance programs or list recommended go-to resources for borrowers experiencing financial difficulty. For example, American Express offers **flexible payment plans** while Capital One **lists steps** they recommend customers take to address financial hardship. Make sure you understand the benefits and drawbacks of any relief program before you opt in.

Visit your credit card company's website to learn more. If you cannot find info online, call the customer service number on your card to ask about your options.

Medical Bills

Contact your medical provider/biller and explain that you are unable to pay the bill due to financial hardship and request a payment plan. If you do not have success with one representative, ask to speak to a supervisor who may be able to help more. You could also call back at a different time or day in the hopes of speaking to a different representative. Medical providers would rather put you on a payment plan than refer the account to a collection agency.

Advocatia Solutions is partnered with Ascension Illinois to help with enrollment for programs such as SNAP, Marketplace, Medicaid, and CHIP. Call 312-584-1212 to get services or go to **the website**.

Findhelp and GoHealth have partnered to **provide similar services at no cost with no obligation to enroll.**

Child Support

If you owe child support and are unable to make the payments, first notify the person who receives the support. The State of Illinois also provides free child support services. Complete an **online application** for services. For more information, call 800-447-4278 or visit any Department of Child Support Services office. These services can also assist you if you are owed child support.

If you cannot afford to make your child support payments, the court may modify your obligation if you have lost your income or have another major hardship. The Greater Chicago Legal Clinic has a helpline at 312-796- 3070. Illinois Legal Aid Online has an **online guide** to help you with paperwork.

Accounts in Collections

The worst thing you can do is to do nothing. Request a payment plan. If you already have a payment plan but are unable to afford the monthly payments, ask to adjust the plan.

Collection agencies would rather you pay something than refer it to their lawyers to collect through the court system. Staying in communication with them is most important. For advice for dealing with debt collectors - including what they can (and can't) legally do to collect on debt and sample letters you can use when communicating with debt collectors - see **this article from the National Consumer Law Center.**

If a creditor or collection agency has sued you or is threatening to sue you, call legal aid.Even if your income is too high to qualify for legal aid, they can refer you to someone else.

- In Northern Illinois, call **Prairie State Legal Services** at 888-966-7757 (Mon–Thurs 9 am–1 pm).
- In Chicago or suburban Cook County, call **Legal Aid Chicago** at 312-341-1070.
- In Central or Southern Illinois, call **Land of Lincoln Legal Aid** at 877-342-7891.

Option 2: Additional Income Sources

This section contains strategies for increasing your income without going deeper into debt. A loan is not income, and it often makes a person's financial situation worse by making them pay yet another bill.

SNAP/LINK (Food Stamps) Recipients: All Illinois SNAP recipients saw their benefits reduced in March 2023. To learn more about this change, including how you can maximize and potentially increase your benefits, visit the **Greater Chicago Food Depository's info page**.

Food Access and Discounted Essentials

Many charities provide free food, free clothing, and other essentials.

- **Catholic Charities** locations across Illinois offer assistance regardless of religion. A financial coach can also help direct you to resources.
- **The Greater Chicago Food Depository** maintains a database of food pantries, soup kitchens, and distribution centers in the Cook County region.

For food assistance outside of Cook County, look up food banks in your area using **IllinoisFoodBanks.org's search tool**. **FeedingIllinois.org** also lists food banks throughout Illinois.

Tax Refunds/Credits

You could be eligible for thousands of dollars in tax refunds by filing your taxes. This is especially true if you have children and are lower-income. The filing deadline for each calendar year is April 15th, and there is no penalty for filing late if you don't owe the IRS any money. File as soon as possible to get your refund.

Many are eligible for **free, online tax-preparation services**. Most programs to help people file taxes for free are available from January to October.

- GetMyPaymentIL.org has a hotline (888-553-9777) for people without computer access and for people with more complicated tax questions.
- The **AARP Foundation's Tax-Aide** program provides free tax preparation assistance to people over 50 and people with lower incomes. They offer in-person or virtual assistance across Illinois.
- In Chicago, **Ladder Up** offers free tax assistance to eligible families. Ladder Up also has pro bono attorneys available for more complicated tax situations.

For additional help, Chicago/Cook County's **211 helpline** lists additional tax prep resources.

If you have children, you may be eligible for the Child Tax Credit, which provides up to $2,000 per qualifying child. While this credit was increased in 2021 due to the pandemic, these enhancements have since expired and the credit has returned to its pre-pandemic levels. Visit the IRS website to view eligibility requirements. You can also use the **IRS website** to view eligibility requirements. You can also use the **IRS's interactive tool** to see if you qualify.

Many people with lower income are also eligible to receive money from the Earned Income Tax Credit (EITC). Learn if you are eligible for the **EITC**. Keep in mind there is both a federal EITC and an Illinois EITC. If you qualify for the federal EITC, it is extremely likely you qualify for the **Illinois EITC**.

Filing your taxes online and using a bank account number for direct deposit will help you get the money much more quickly. If you didn't file taxes in the last two years but think you might be eligible for these tax credits, you can still file a paper return for those years to receive your past refunds.

Tip! Online freelance work can be a source of quick cash, but don't rely on it.

You may hear about a number of ways to make cash online through websites that offer various types of freelance work such as taking surveys, testing websites, online tutoring, and other tasks. These include sites like Amazon Mechanical Turk, Tutor.com, UserTesting.com, Upwork, Freelancer.com, and survey sites like Swagbucks and MyPoints.

While these sites are legitimate and worth looking into if you are really low on funds, they tend to overpromise the amount of cash you can realistically expect to get. Most function as a job board where individuals or companies can post tasks, and some task postings on these sites may also be scams. For some of the sites, you may need to pay a fee in order to browse and apply for postings or receive your payments. Browsing to find tasks that fit your needs and skills can be time-consuming. At the end of the day, they are usually not an efficient or reliable way of making money. **Proceed with caution.**

Cash Assistance Programs

Over the last few years, both the Cook County and the Chicago governments have launched cash assistance programs:

- The Illinois Department of Human Service (IDHS)'s **Temporary Assistance for Needy Families (TANF)** program gives temporary financial assistance to pregnant people and their families with one or more dependent children. The financial assistance can be used to help pay for food, shelter, utilities, and other non-medical expenses. You can apply online or in-person at your **local IDHS office**. IDHS also provides TANF families with **SNAP** benefits.
- **Earnfare** helps adults who do not have custody of their children and who receive SNAP. They must first work off the value of their SNAP benefits (at minimum wage), and then can earn up to $294 per month.

Saving for College

The **Illinois First Steps** program was created to help Illinois families jump start their savings for higher education and training with a $50 deposit. Children born or adopted on or after January 1, 2023 with parents who are residents of Illinois can receive a deposit through **Bright Start** or **Bright Directions**.

The parent or legal guardian of the eligible child must take steps to officially "claim" the funds before the child's 10th birthday. To do so, the parent or legal guardian must have an IL 529 college savings account for the eligible child. To learn more about the program, eligibility requirements, and opening a 529 account, visit **IllinoisFirstSteps.com**.

Funeral Assistance

- The federal government has a program to reimburse the costs of funerals for deaths attributed to COVID-19 (according to the death certificate). The maximum benefit is $9,000 per burial. To be eligible, the funeral must have occurred after January 20, 2020. For more information, including required documentation, go to their **website**. To apply, call 844-684-6333 (multilingual services available). They are not accepting online applications. While the official federal COVID-19 emergency is over, this program will continue to provide funeral assistance until September 2025. Even if the funeral took place years ago, you may still be eligible for this benefit.
- **The Funeral & Burial Benefits program** from the Illinois DHS reimburses the funeral and burial expenses of a person who at the time of death received certain types of financial assistance or who would have qualified for them.

Church

Many churches provide financial and other assistance regardless of religion. For example, Catholic Charities agencies across Illinois have **financial assistance programs** for families.

Tip! Crypto is Risky!

Tip! Crypto is Risky! Bitcoin and other cryptocurrencies are risky investments. Their use is expanding – for example, as an alternative to currency exchanges or remesas (remittances) – but be wary of hidden fees and extra costs. There are often hefty fees attached to investing in crypto, from putting your money into a crypto wallet, to buying crypto on one of the exchange marketplaces, to cashing back out – and fees are likely even higher using a crypto kiosk.

Savings

Before taking out a loan, which can often worsen your financial situation, tap into your savings if available.

If you have already exhausted any money in a savings account, you may also have retirement savings (401k, IRA, etc.). It is never ideal to deplete your savings or tap into retirement accounts, but it is better than falling into a cycle of never ending, high-interest debt. There are tax consequences for tapping into retirement savings before retirement, and you may have to adjust how you save for retirement going forward. You may want to consult

a licensed accountant or a certified financial planner. Be wary of so-called "financial advisors" whose primary motivation may be to earn a commission by selling you mutual funds, stocks, or other financial products.

Sell Assets

If you're willing to part with an item (i.e., gold jewelry, designer clothes, or antiques) consider selling it rather than getting a pawnshop loan to avoid paying financing charges. Selling an item creates income, which can be used to pay off debts; a loan is not income, it is debt, which can put you even deeper into a financial hole.

Poshmark is a widely used app for selling items. Many folks also have success using Facebook Marketplace (but be on the lookout for potential scams). If you go to a pawn shop, consider selling your item(s) rather than taking out a pawn loan. Most Illinois pawn shops charge around 240% APR for a pawn loan, which can worsen your financial situation.

Paid Research Opportunities

You have likely seen ads for paid research opportunities. Such ads are commonly present on public transportation. These opportunities are frequently done in the context of health-related research. The compensation for these opportunities varies, but they are, in our experience, a legitimate way to earn some extra cash while also performing a public service. We are currently offering a paid research opportunity for people with experience with high-cost loans - participants who complete a 30-minute research interview will receive a $50 gift card. Sign up at weprosperil.org/paid-research-opportunities.

Class Actions

Chances are, you have received notices through email or through the mail notifying you that you may be eligible to receive relief under a "class action settlement." Millions of consumers received hundreds of dollars in 2022 through a class action settlement with Facebook. If you receive a notice of a class action settlement, do not ignore it. Typically, you can collect your settlement dollars by completing a form online, but you must do so before a deadline that will be specified in the notice. Your settlement dollars can take many months or even over a year to arrive, so don't make purchases or take on debt with the expectation that you will be receiving settlement funds. If you're unsure whether a notice is legitimate, Google the company name + "class action" for more details.

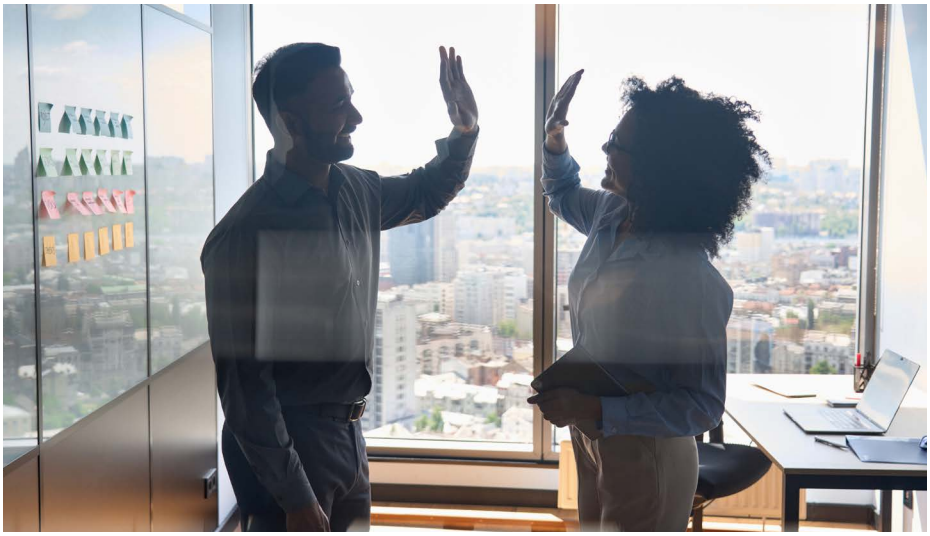
Other Programs

Diverse Learners Recovery Fund for Students With Disabilities: Applications are open for the Diverse Learners Recovery Fund Application, a program from the Mayor's Office for People with Disabilities and Ada S. McKinley Community Services, Inc **offering one-time cash grants of $500 to eligible K-12 students with disabilities in Chicago.** Recipients are selected via lottery. The household income limit for applying is equal to or less than 300% of the federal poverty level. Applications will be open through October 30, 2024.

Restaurant Employees: The Illinois Restaurant Employee Relief Fund (IRAEF) provides grants to Illinois restaurant employees experiencing a hardship, such as "accident, illness, injury, death of an immediate family member or natural disaster." Learn more and apply here. Note that this is not a government program. It is provided by the Illinois Restaurant Association.

All Illinois Residents: Enrich, an Illinois Financial Wellness Hub from the State Treasurer's office, is a personal finance platform meant to provide individualized resources for different financial situations. Resources include a financial checkup, recommendations, and personalized coaching from a Certified Personal Financial Counselor.

Option 3: Lower-Cost Loans



If the strategies described in the earlier sections of this guide are insufficient to address your needs, you might consider a lower-cost, short-term loan. Here are some affordable loan options—all of which charge 36% annual percentage rate (APR) or less.

Nonprofit, Mission-Oriented Lenders

- Capital Good Fund is a government-certified Community Development Financial Institution. They offer an Impact Loan of $300 to $1,500 at 12% APR.
- Jewish Free Loan Chicago offers zero-interest loans to people of all religions and backgrounds in the Chicagoland area (Cook, DuPage, Kane, Lake, McHenry, and Will counties). The average loan amount is $5,000.

NEED FINANCIAL HELP?

Interest-free loans
$750 to $6,000

- Debt Consolidation
- Health Care
- Education
- Car Repair
- Childcare
- Fertility
- Technology
- Disaster Relief
- Unemployment
- And more

ELIGIBILITY

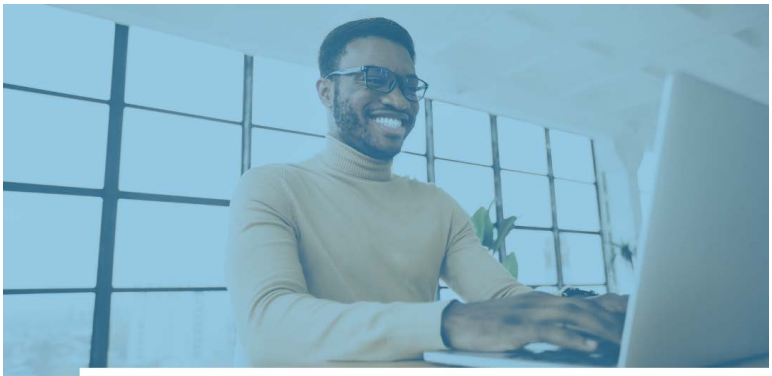
QUALIFY AS LOWER INCOME

LIVE IN CHICAGOLAND

APPLY WITH A GUARANTOR

Apply at jflchicago.org

JFLC
Jewish Free Loan Chicago



CAPITAL Good Fund

- Affordable Financial Coaching
- Impact Loan: $300 at 5% APR
- And more!

CAPITALGOODFUND.ORG →

Tip! Watch Out for Scams!

If you receive a call or text from someone you don't know about COVID relief, Social Security, student loans, loan forgiveness, car warranties, or other benefits, there is a high probability the caller is a scammer. Look up the number for the company or agency on your own and contact them directly if you are concerned about whether the call is legitimate.

Emails that want you to click on a link, open an attachment, or provide personal information are highly risky.

Beware of any company offering "credit repair," "debt management," or "debt settlement." These types of services are frequently rip-offs.

Scammers also use **payment apps such as Venmo, CashApp, and Zelle** to target victims. Scammers will often pretend to be a loved one in trouble or even pose as your bank telling you there's a problem with your account. If you have any doubt at all, always take appropriate steps to verify the recipient's identity before sending any money.

For more information about scams, visit the **Consumer Financial Protection Bureau's website.**

Your Bank

An increasing number of banks are providing short-term, low-cost loans. Visit your bank's website or call to find

out the types of consumer loans they offer. If you don't have a bank account, we strongly recommend you get one. People without bank accounts (the "Unbanked"), on average, pay considerably more for day-to-day financial transactions (check-cashing, remittances, etc.) than people with bank accounts. If you live in Chicago, you can visit **Bank On Chicago** to learn about affordable bank accounts with no overdraft fees. If you live outside Chicago, visit **Bank On Illinois**. A **financial coach** can also assist you with opening a bank account.

CIBC Bank has an affordable (14.75% APR) personal loan called the **EasyPath Personal Loan**. You can apply for the loan by visiting one of **CIBC's branches**. You do not need to have a bank account with CIBC, and they won't require you to open one.

Huntington Bank offers a line of credit to eligible account-holders called **Standby Cash**. The line of credit is interest- and fee-free if the customer enrolls in auto-pay.

US Bank offers personal loans to both customers (min. credit score of 660) and non-customers (min. credit score of 720). The interest rate ranges from 8.74% to 24.99% APR.

Bank of America offers **Balance Assist**, a small-dollar loan for its customers. The loan is up to $500 and charges only a flat $5 fee regardless of loan amount. The loan is repaid in three months by automatic deductions from your checking account. Note: Balance Assist is not available to customers with the "SafeBalance" account, which features no overdraft.

Citi offers **personal loans** up to $30,000 to new and existing customers at 10.49% to 19.49% APR.

Chase does not currently offer personal loans. However, their **My Chase Loan** product allows Chase customers to borrow money from their existing card's available credit without any applications or credit checks.

Discover is also a popular source for **personal loans**. Note that one of their requirements is a minimum household annual income of $25,000.

Banks Taking Steps in the Right Direction

In recent years, many large banks have been taking steps to reduce or eliminate overdraft and non-sufficient fund fees. These ploicies very by bank and the type of account you have, so be sure to familiarize yourself with the ploicies specific to your situation.

For example, **Capital One** no longer charges overdraft or non-sufficient fund fees on any of its accounts. PNC's **Virtual Wallet** account has a feature called **Low-Cash Mode** that gives customers more time to fund their account to avoid an overdraft situation and, for each transaction that would overdraw the account, allows customers to elect whether the bank should clear the payment or reject it.

Credit Unions

Credit unions are similar to banks, but they are non-profit and have membership requirements.

- **Great Lakes Credit Union** serves Lake, Cook, McHenry, Kane, DuPage, Kendall, Will and Kenosha counties. Members of at least 1 year can apply for a **Cash-in- a-Flash** loan, a personal loan up to $500 with no credit check at rates as low as 33.5% APR (this rate includes the application fee). Call 800-982-7850.
- **Self-Help Credit Union** is a mission-based community development financial institution. Anyone who pays a one-time $5 fee to join their Center for Community Self-Help can become a member. They provide many different banking and loan products for people with good credit or those who want to build their credit. Call 877-369-2828.
- **KCT Credit Union** serves DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, and Cook (west of Route 83) counties. They offer unsecured and secured **personal loans** to help borrowers consolidate debt, build credit, and more. Call 847-741-3344.
- **Community Plus Federal Credit Union** serves Champaign, Ford, and Piatt counties. Borrowers who have been members for six or more months may qualify for their **emergency loan** with no credit check at 18% APR. They also offer free financial counseling. Call 217-893-8201.
- **Members "First" Community Credit Union** serves Adams, Brown, Pike, and Schuyler counties. They offer **personal loans** with APRs as low as 9.99%. Call 217-223-4377.
- **SIU Credit Union** serves **24 counties** across Southern Illinois. They offer a **personal loan** with competitive interest rates. Borrowers who have been members for at least six months can apply for the **Fast Cash loan** at 18% APR with no credit check. Call 618-457-3595.
- **St. Louis Community Credit Union** serves St. Clair, Madison, Monroe, and Jersey counties in the Metro East region. Their **Works for Me** personal loan is open to applications from members and non-members with APRs as low as 10.99%. (Note: for non-members, an application will involve a hard credit inquiry.) Call 314-534-7610.
- **Unified Homeowners of Illinois Federal Credit Union** serves all homeowners in Illinois. They offer personal loans up to $600 at 18% APR on a 12-month term, available to new and existing members. Call 773-283-9340.

Tip! Buyers beware

Cashing a check at a currency exchange is oftentimes far more expensive than having funds directly deposited into a bank account. You can find more information on check-cashing rates at bit.ly/checkcashingratesIL

Online Loan

Not all online lenders are affordable, and some are flagrantly violating the law by charging 700% APR! However, members of the **American Fintech Council (AFC)** adhere to responsible lending standards that include charging at or below 36% APR. All of the following are AFC members.

Personal Loans

- **Prosper** offers loans up to $50,000 for emergencies, major events, debt consolidation, or purchases. Go online or call 866-615-6319.
- **Best Egg** offers personal loans for major events, purchases, or debt consolidation. Go online or call 855-282-6353.

Banking and Loans

- **SoFi** offers accounts, personal loans, credit cards, student loans, home loans, business loans, and investment options. Go online or call 855-456-SOFI (7634).
- **Lending Club** offers personal, business, auto, and education loans. Go online or call 888-596-3157.

Business Loans and Lines of Credit

- **Allies for Community Business** offers business loans, credit lines, and coaching. They do not consider credit scores or the value of personal collateral when evaluating eligibility for business loans. Go online or call 312-275-3000.
- **Funding Circle** offers loans or lines of credit. Go online or call 855-385-5356.
- **Lending Club** for business loans. Go online or call 855-846-0153.

You can compare different loan products at **Nerd Wallet**. but we cannot guarantee that a loan that appears on Nerd Wallet is consumer friendly.

Paycheck Advance/Early Wage Access

Many employers now offer services that provide employees with early access to their wages. Before signing up for one of these services, make sure you are aware of any fees involved. There are also several apps that offer **Early Wage Access (EWA)** products. **EarnIn**, **Brigit**, and **Cleo** are among the most well known. Some of the EWA apps are tricky to navigate – they might automatically include a "tip" that you would pay when you access funds and make it difficult to opt out of the tip. If you want funds immediately, you will be charged an expedite fee.

If you are cash-strapped and use one of these products, we recommend that you tip zero and, if at all possible, skip the optional fee for an expedited payment. Based on our experience, the money should hit your account in less than three business days.

If none of these options are appealing, you could consider asking your employer for an advance on your next paycheck.

Bottom line: If you pay no tip and no "immediate deposit" fee, **you can obtain free cash advances** from these apps. But, because the advances are repaid at the beginning of your next pay period, they may cause you to get stuck in a cycle of repeat use. We strongly recommend using only one EWA provider at any given time.

Tip! Beware Buy Now, Pay Later (BNPL)

Online shopping has evolved to make it much easier to purchase items that are unaffordable. Buy Now, Pay Later (Affirm, Klarna, Sezzle, and more) and PayPal Credit have become payment options on many sites. Many longer-term BNPL products charge interest, so make sure to carefully read any fine print before signing up for one. Our recommendation is to entirely avoid purchasing extravagant items that you cannot afford. If you use BNPL at all, we recommend using these options only for essential purchases.

Credit Card Advance

Making purchases with a credit card can be expensive depending on the fees and interest. Cash advances are typically even more expensive, especially if you do not repay them quickly. Check the credit card's website or contact the credit card company to find out about available options.

Consumer Legal Funding

If you have been harmed by a company or person and are considering or have already filed a lawsuit against them, there are companies that can provide financial assistance at affordable rates to you to help you cover basic living expenses. You don't have to repay the assistance unless you receive a settlement or cash judgment from the defendant. These are called "consumer legal funding" companies. You can ask your attorney about this option.

Lending Circles

In a lending circle, a small group of people chip in every month and lend money to one another at no interest. Lending circles are formed between 6-12 people and loan amounts range from $300-$2,400. Each month, a new member of the lending circle receives the loan until everyone in the group gets their chance. Loan payments are reported to the credit bureaus to help participants build credit.

This option is not suitable for immediate needs or emergencies. A lending circle requires group planning, and you may not be able to predict when it will be your turn to get the loan. However, it may be helpful for large, planned purchases. You can **learn more** and apply.

Prefer Talking to a Live Person? Ask a Financial Coach.

Capital Good Fund's **Financial Coaching Department** provides one-on-one financial advice to any Illinois resident. Starting at $15 per month, the nonprofit can create a plan with you and can advocate on your behalf with creditors. They also offer a credit-builder program for $5 per month. Call 866-584-3651 (English or Spanish)

Working Credit is a nonprofit that offers free financial counseling to help you build your credit, understand the credit system, and create a plan to reach your financial goals. Their credit building counseling program includes unlimited one-on-one support and coaching for 12 months for free. Sign up online (**English** and **Spanish**).

The City of Aurora's Financial Empowerment Center provides free, high-quality, one-on-one financial counseling to low-and moderate-income residents of the Aurora region. **Learn more.**

Many credit unions also offer free or low cost financial coaching. Check with your local credit union to learn about their offerings, and check the list under Option 3: Lower Cost Loans if you need help finding a **credit union.**

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WeProsper

WeProsper is a joint initiative of Woodstock Institute, New America Chicago, and The Chicago Urban League. The initiative educates lawmakers and the public about predatory financial practices that strip wealth from low-income communities, with a special focus on communities of color. In addition, the initiative provides resources to educate communities, as well as research to help build support for alternatives that build wealth in low- income communities. The initiative is currently funded by The Chicago Community Trust and J.P. Morgan Chase Foundation.

Partner Organizations

Woodstock Institute

Woodstock Institute is a leading nonprofit research and policy organization working in the areas of consumer protection, fair lending, wealth creation, financial systems reform, and safe, affordable financial products and services. Woodstock collaborates locally and nationally to create a financial system in which lower-income people and communities of color can safely borrow, save, and build wealth to achieve economic security and community prosperity.

New America Chicago

New America Chicago is a nonpartisan policy innovation lab. We bring together community leaders, thought leaders, and policymakers committed to finding practical solutions to community challenges, particularly those related to work, income, and inequity. Based at The Chicago Community Trust, our team connects people in underinvested communities to policymakers and those in power to inform policy. We work to make sure technological and social change work in the interest of all Chicagoans.

Financial Inclusion for All Illinois

Financial Inclusion for All Illinois, a project of Heartland Alliance, is a coalition that promotes policies and best practices to narrow the gender and racial wealth divides.