



**Division of Small Business  
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# **New York Forward Loan Fund (NYFLF)**

## **Empire State Development**

**A Division of Empire State Development**

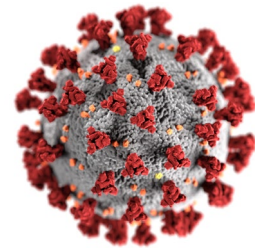
5/26/2020

# 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 landlords as they reopen after the COVID-19 outbreak and NYS on PAUSE.**

It targets the state's small businesses with 20 or fewer employees (90% of all businesses), nonprofits, and small landlords that have seen loss of rental income. The **working capital loans of up to \$100,000** are timed to support businesses and 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 small businesses, nonprofits, and small landlords that did not receive a loan from either the U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP) or SBA Economic Injury Disaster Loans (EIDL). The loans are **not** forgivable in part or whole. The loans will need to be paid back over 5-year term with interest.



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## New York Forward Loan Fund - Overview

**Applications for the New York Forward Loan Fund will be open based on the industries and regions that have been reopened. This is not a first-come, first-served loan program. Applications will be reviewed on a rolling basis as regions and industries are phased to reopen.**

For small businesses and nonprofits that are in industries and regions that are not yet reopen, you are encouraged to prepare your pre-application in advance by taking advantage of the application preparation resources available at the [ESD Resources Contact Page](#). This will allow you to quickly submit your application once it is announced that your industry and region is phased to reopen.

65% of the loan fund is reserved for small businesses; 30% for small landlords; and 5% for nonprofit organizations.

**Pre-applications are now open at [www.nyloanfund.com](http://www.nyloanfund.com)** and will be on a rolling basis thereafter as regions and industries reopen.

Up to date information on regional opening status can be found at <https://forward.ny.gov/>

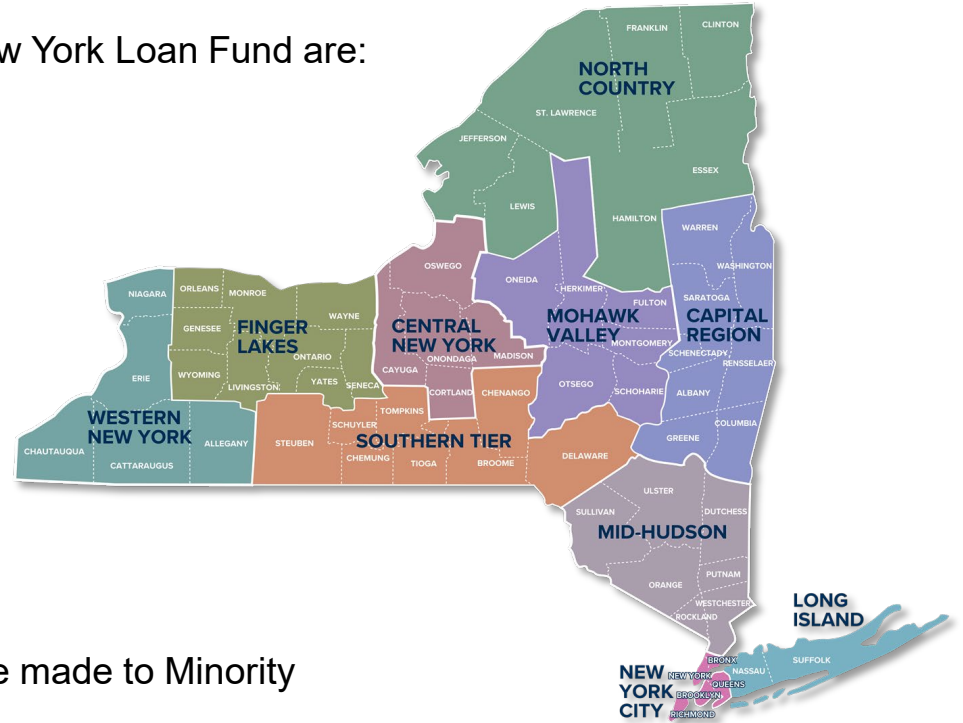


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# New York Forward Loan Fund – Geographic Proportionality

The geographic proportionality goals for the New York Loan Fund are:

Capital Region 4%	Mohawk Valley Region 4%
Central NY Region 4%	New York City Region 30%
Finger Lakes Region 4%	North Country Region 4%
Mid-Hudson Region 12%	Southern Tier Region 4%
Long Island Region 18%	Western NY Region 8%



- In addition at least 60% of the loans will be made to Minority and/or Women owned businesses.



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# How do I apply?

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

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 Landlords:** Community Preservation Corporation

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## New York Forward Loan Fund

[Overview](#) [Loan Terms](#) [Business Requirements](#) [Frequently Asked Questions](#) [Pre-Application](#)

New York Forward Loan Fund (NYFLF) is a new economic recovery loan program aimed at supporting New York State small businesses, nonprofits and small landlords as they recover from the COVID-19 outbreak and NYFS on PULSE.

NYFLF targets the state's small businesses with 20 or fewer full-time equivalent (FTE) employees (50% of all businesses), nonprofits and small landlords that have seen steep reduction in rental income.

NYFLF is providing working capital loans so that small businesses, nonprofits and small landlords have access to credit as they recover. These loans are available to small businesses, nonprofits, and small landlords that did not receive a loan from either the U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP) or SBA Economic Injury Disaster Loans (EIDL) for COVID-19 in 2020. The loans are not forgivable in part or whole. The loans will need to be paid back over a 3-year term with interest.

The working capital loans are aimed to support businesses and organizations as they proceed to reopen and have suffered expenses to comply with guidelines (e.g., inventory, marketing, setting for new social distancing guidelines) under the New York Forward Plan.

The geographic proportionality goals for the New York Forward Loan Fund for small businesses are:

- Capital Region 4%
- Central NY Region 4%
- Finger Lakes Region 4%
- Hudson Valley Region 12%
- Long Island Region 18%
- Mohawk Valley Region 4%
- NYC Region 30%
- North Country Region 4%
- Southern Tier Region 4%
- Western NY Region 4%

Access to loans for small landlords will be targeted to owners with residential buildings of 50 units or less, and will prioritize loans for landlords whose properties are in low and moderate income census tracts or who serve low to moderate income tenants.

Priority will be given to industries and regions that have been impacted. This is not a first come, first served loan program. Applications will be reviewed on a rolling basis as regions and industries reopen. For small businesses and nonprofits that are in industries and regions that have not yet reopened, you are encouraged to prepare your pre-application in advance by taking advantage of the application preparation resources available here. This will allow you to quickly submit your pre-application once it is announced that your industry and region is planned to reopen.

The New York Forward Loan Fund is supported by Apple Bank, BNB Bank, BlackRock Charitable Fund, Citi Foundation, Evans Bank, Ford Foundation, M&T Bank, Morgan Stanley, the Ralph C. Wilson, Jr. Foundation, and Wells Fargo.

Five Community Development Financial Institutions (CDFI) will be processing pre-applications on June 1, 2020: Accion East, Community Preservation Corporation, National Development Council, Pursuit and TruFund Financial Services. Pre-applications will open on May 26, 2020 at Noon Eastern Daylight Time and will be on a rolling basis thereafter as regions and industries reopen.

[Apply Now](#)



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# SMALL BUSINESSES

**New York Forward Loan Fund**



# The New York Forward Loan Fund – Loan Terms (Small Business)

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

## **SMALL BUSINESSES**

### **Loan Amounts:**

- For small businesses: Lesser of (a) \$100,000 or (b) up to 100% of average monthly revenues 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 small businesses, the fixed annual interest rate on the loan will be 3%.

**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.



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# The New York Forward Loan Fund – Loan Terms (continued)

## Use of Proceeds:

- Proceeds are required to be used for working capital, inventory, marketing, refitting for new social distancing guidelines, operating and emergency maintenance, property taxes, utilities, rent, supplies, 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.





# The New York Forward Loan Fund – Small Business Eligibility

To be eligible for a New York Forward Loan Fund loan, a small business must meet the following requirements:

- Employ 20 or fewer full time equivalent (FTE) employees;
- Have gross revenues of less than \$3 million per year;
- **Have not received an SBA Paycheck Protection Program (PPP) or an Economic Injury Disaster Loan (EIDL) in 2020;**
- 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 business for at least one year as of the date of loan application; and
- Be headquartered in and do business in the State of New York.

Note: the pre-application should be completed and submitted by the owner of the business with the largest ownership interest, and that all owners with more than 20% ownership will be required to attest to the information therein.



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# The New York Forward Loan Fund – Ineligible Businesses

**Businesses that are NOT eligible include, but may not be limited to:**

- Corporate-owned franchises;
- Not-for-profit social clubs;
- Branch banks;
- Payday loan stores;
- Pawn shops;
- Astrology, palm reading;
- Liquor stores, night clubs;
- Adult bookstores, massage parlors, strip clubs;
- Truck wagging facilities;
- Trailer-storage yards; and
- Marijuana dispensaries.



# The New York Forward Loan Fund – Small Business Documentation

**A small business loan applicant must provide the following documentation:**

- Most recently filed tax returns, if available and required by the lender; if not available, internally generated income statements or other documentation used to determine cash flows;
- Schedule of ownership (name, address, Social Security number, phone number, e-mail, percentage ownership, photo ID for any owners with more than 20% ownership);
- Executed Attestation Form (will be provided by lender);
- Brief description of COVID-19 impacts on jobs and revenues;
- Evidence of legal formation of business entity (Articles of Incorporations and/or Bylaws); and
- Personal Credit Report (if applicable).

**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.**



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# SMALL LANDLORDS

**New York Forward Loan Fund**



# The New York Forward Loan Fund – Loan Terms (Small Landlords)

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

## **SMALL LANDLORDS**

### **Loan Amounts:**

- For small landlords, lesser of (a) \$100,000 or (b) projected reduction in 3-months net operating income based on actual lost income for the month of April 2020 or May 2020.

### **Interest Rates:**

- For small landlords, the fixed annual interest rate on the loan will be 3%.

**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.



# The New York Forward Loan Fund – Loan Terms (continued)

## Use of Proceeds:

- Proceeds are required to be used for working capital, inventory, marketing, refitting for new social distancing guidelines, operating and emergency maintenance, property taxes, utilities, rent, supplies, 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.



# The New York Forward Loan Fund – Small Landlord Eligibility

**To be eligible for a New York Forward Loan Fund loan, a small landlord must meet the following requirements:**

- Have no more than 200 units under ownership, and no single property greater than 50 units;
- Properties must either be located in a low or moderate income (LMI) census tract or meet a rent test where property rents are affordable to tenants of low and moderate income;
- Properties must have positive cash flow for a 12-month period prior to New York Forward loan request;
- Properties must have an active forbearance agreement for their mortgage or proof that they have not missed a monthly debt service payment in the last 12 months, and/or no active mortgage;
- Properties must be current on their property taxes through March 2020;
- Property owners must attest that they will not evict COVID-impacted non-paying tenants; and
- Properties must be in good repair, with no life and safety violations.



## The New York Forward Loan Fund – Small Landlord Eligibility (continued)

To be eligible for a New York Forward Loan Fund loan, a small landlord must meet the following requirements:

- **Have not received a loan from either SBA Paycheck Protection Program (PPP) or SBA Economic Injury Disaster Loan (EIDL) for COVID-19 in 2020;**
- 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 business for at least 1 year as of the date of loan application; and
- Properties must be located in the State of New York.

Note: the pre-application should be completed and submitted by the owner of the business with the largest ownership interest, and that all owners with more than 20% ownership will be required to attest to the information therein.





# The New York Forward Loan Fund – Small Landlord Documentation

**A small landlord loan applicant must provide the following documentation:**

- Most recently filed tax returns, if available and required by the lender;
- 2019 Income and Expense statement;
- Property Rent Roll showing economic impact;
- Schedule of ownership (name, address, Social Security number, phone number, e-mail, percentage ownership, photo ID for any owners with more than 20% ownership);
- Executed Attestation Form (to be provided by lender);
- Hardship Letter specifying COVID-19 impacts on jobs and revenues;
- Forbearance Disclosure Statement;
- Evidence of legal formation of business entity (Articles of Incorporations and/or Bylaws); and
- Personal Credit Report (if applicable).

**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.**



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# NONPROFITS

**New York Forward Loan Fund**



# The 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.



# The New York Forward Loan Fund – Loan Terms (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, 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.



# The 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 daycare services, legal aid, food banks, soup kitchens, after school programs, senior services, educational programs, clothing banks;
- Have an annual operating budget of less than \$3 million per year;
- **Have not received a loan from either SBA Paycheck Protection Program (PPP) or SBA Economic Injury Disaster Loan (EIDL) for COVID-19 in 2020;**
- 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
- 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.



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# The 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.**



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# APPLICATION QUESTIONS

**New York Forward Loan Fund**



# The 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 small businesses, the maximum loan amount is 3 months average monthly revenues before the COVID-19 outbreak, up to \$100,000.
  - For nonprofits, the maximum loan amount is 3 months average monthly expenses before the COVID-19 outbreak, up to \$100,000.
  - For small landlords, the maximum amount is the projected reduction in income for three months, up to \$100,000.

## 2. How do you plan to use your loan?

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

## 3. When do you need financing by?

- Please choose the timing range closest to your needs. The options are: (1) Today, (2) In the next two weeks, (3) Within 1-2 months or (4) I'm researching.



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# The New York Forward Loan Fund – Application Questions (part 2)

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

## 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 landlords, your building(s) must be located in the State of New York.

## 6. How should we reach you?

- Please include the contact information for the primary owner or an owner with >20% stake.
- For nonprofit applicants, please include contact information for a member of the organization’s executive team.



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## The New York Forward Loan Fund – Application Questions (part 3)

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

### 7. What was your total revenue last year?

- For small business, the maximum gross annual revenues are \$3 million.
- For nonprofits, please use your annual operating budget and cannot exceed \$3 million.

### 8. Did you earn a profit last year?

- Select Yes or No.

### 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.
- Small landlords should include total number of units instead of their full-time employee count.
- Prior bankruptcies will not disqualify you from receiving a New York Forward loan.



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# The New York Forward Loan Fund – Application Questions (part 4)

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.

## 12. How much revenue do you expect to make this year?

- Select an estimated value.

## 13. 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 Fund loan.

## The New York Forward Loan Fund – Application Questions (part 5)

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 small businesses and landlords, please answer for any owner with >20% stake in the business.
  - 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 small businesses and landlords, please answer for any owner with >20% stake in the business.
  - For nonprofits, please answer for your executive team.



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## The New York Forward Loan Fund – Application Questions (part 6)

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

### 16. What is your Personal Credit Score?

- The loan applicant business owner(s) is subject to a credit check.
- Nonprofits are not subject to credit checks.

*By submitting an application, you are acknowledging that you meet the eligibility criteria for the New York Forward Loan Fund under the Business Requirements have NOT received a loan from either the U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP) or SBA Economic Injury Disaster Loan (EIDL) for COVID-19 in 2020.*



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# **SPECIAL NOTES & RESOURCES**

**New York Forward Loan Fund**



# The New York Forward Loan Fund – Special Notes

- Participating lenders are responsible for making their own credit decisions.
- Due to the expected high demand, the number of New York Forward loans will be limited.
- Due to a limited amount of funding and the high volume of requests expected, your business type, geography and industry may factor into your ability to receive a loan.
- Applications will be reviewed on rolling basis as regions and industries are phased to reopen.
- Please note that submitting a pre-application is not indication of eligibility or that funding will be approved.
- We recommend applying as soon as possible. In the event the website is overwhelmed, we recommend checking back often to submit your pre-application.
- A borrower should only submit one application, loan terms do not change from lender to lender and multiple requests could slow your process.



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

Example \$100,000 Loan Required Monthly Payments			
Time	Monthly Payment @ 3%	Monthly Payment @ 2%	Notes
First 12 Months	\$250.00	\$166.67	Interest Only
13 - 60 Months	\$2,213.43	\$2,169.51	Principal and Interest
Example \$50,000 Loan Required Monthly Payments			
Time	Monthly Payment @ 3%	Monthly Payment @ 2%	Notes
First 12 Months	\$125.00	\$83.33	Interest Only
13 - 60 months	\$1,106.72	\$1,084.76	Principal and Interest
Example \$20,000 Loan Required Monthly Payments			
Time	Monthly Payment @ 3%	Monthly Payment @ 2%	Notes
First 12 Months	\$50.00	\$33.33	Interest Only
13 - 60 months	\$442.69	\$433.90	Principal and Interest

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.



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# 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>
- Community Development Financial Institutions (CDFI):  
<https://esd.ny.gov/sites/default/files/CDFI%20List.pdf>
- Business Mentor NY COVID-19 Volunteer Task Force: [www.businessmentor.ny.gov](http://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>



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

