

Affordable Alternatives to Predatory Loans

Last Updated: September 2021

This document is designed to point you to safe and affordable alternatives to high-cost loans. For more detailed information, refer to the full Affordable Alternatives to Predatory Loans Resource Guide at bit.ly/WeProsperResourceGuide.

OPTION 1: GET HELP LOWERING BILLS

Homeowners

If you're having trouble paying your mortgage, contact a housing counselor and/or your mortgage servicer to talk about your options. Find a housing counselor near you online at bit.ly/HUDapproved.

Renters

See Housing Action Illinois' site for updates at bit.ly/HousingActionIL or give them a call at 312-939-6074. [Rentervention.com](https://rentervention.com) is another good resource.

Car Payments, Medical Payments

Contact your lender / medical provider to explore a potential deferment or payment plan.

Utilities

Contact your utility company to explain that you are experiencing a hardship. Government assistance programs include the Low Income Home Energy Assistance Program (LIHEAP) and the Percentage of Income Payment Plan (PIPP) program. To learn more, you can visit bit.ly/LIHEAPil for the LIHEAP or bit.ly/PIPPhelp for the PIPP. You can also contact the LIHEAP at 877-411-9276 and the PIPP at 217-785-2533.

Broadband Internet

The federal government's Emergency Broadband Benefit (EBB) program may be able to assist you in lowering your monthly payments. Check if you qualify and apply for the program at getemergencybroadband.org or call 833-511-0311.

Student Loans

Payments on certain federal loans are suspended until Jan. 31, 2022. If in doubt about whether your loans are covered, contact your loan servicer(s) to ask about an income-driven repayment plan, a deferment, or a forbearance. A free online service called Summer can also help. Visit their website at meetsummer.org.

Automatic Payments

For nonessentials, stop auto-pay or cancel automatic recurring payments.

Credit Cards

Major credit card companies provide COVID assistance programs. Most companies will allow you to postpone paying your bill for a time without incurring late fees.



WEPROSPER
Building Community Wealth

WeProsper is a joint initiative by 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.

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Child Support

If you owe child support, 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: 312-796-3070. Illinois Legal Aid Online also has an online guide to help you with paperwork at bit.ly/ILChildSupport.

Accounts in Collections

Request a payment plan or ask to adjust the plan. If a creditor or collection agency has sued you or is threatening to sue you, Legal Aid Chicago can help you or direct you to the legal aid for your area. Visit their website at legalaidchicago.org or call at 312-341-1070.

Free Essentials

Many charities provide free food, clothing, and other essentials. Catholic Charities locations across Illinois offer assistance regardless of your religion. You can find their emergency assistance sites at bit.ly/CCEmergency or call 877-426-6515 for more information.

OPTION 2: ADDITIONAL INCOME SOURCES

Tax refunds, CTC and Stimulus Payments

File your taxes to get your refund, even if you don't normally file your taxes, to ensure you receive all your Child Tax Credit (CTC), Earned Income Tax Credit (EITC), and stimulus payments. Find free help at getmypaymentil.org/tax-credits/. Ladder Up also offers free assistance in Chicago. Visit their website goladderup.org/our-services/tax-assistance/ or call 312-588-6900 to learn more.

Savings

Tap into any savings, including retirement, if necessary.

Church

Many churches provide financial assistance. Catholic Charities helps Illinoisans of any religion. You can find out more about available services at catholiccharities.net or by calling 312-655-7700 if you are in Cook county.

COVID-19 Funeral Assistance

The federal government now has a program to reimburse the costs of funerals for deaths attributed to COVID-19. Visit the website at bit.ly/FEMAFuneralHelp or call 844-684-6333 for more information.

Sell Assets

Consider selling an item, like jewelry, antiques, etc. [Poshmark.com](https://poshmark.com) is a widely used app for this.

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OPTION 3: LOWER COST LOANS

Banks

See if your bank offers emergency loans or personal loans. If you do not have a bank account, visit Bank on Illinois at illinoiscomptroller.gov/about/bank-on/ for affordable options. CIBC Bank has an affordable (12.45% APR) personal loan called the EasyPath Personal Loan. You can apply for the loan by visiting one of CIBC's branches. To learn more, visit bit.ly/EasyPath or call 877-448-6500.

Capital Good Fund

Offers a crisis loan that charges only 5% APR, with no payments or interest charges for the first 3 months. Visit capitalgoodfund.org/loans/crisisloan to find out if you qualify.

Great Lakes Credit Union

Offers a Cash in a Flash Loan, a \$500 personal loan at 33% APR. See more details at bit.ly/Cash-In-A-Flash.

Self-Help Credit Union

Offers a variety of different banking and loan products for people with good credit or people who want to build their credit. See their line of available products at bit.ly/Self-HelpLoans.

Online Loans

Not all online loans are safe, but members of the American Fintech Council adhere to responsible lending standards that charge at or below 36% APR. Trustworthy personal loan sites include: LendingClub.com, Avant.com, Prosper.com, BestEgg.com, and Upstart.com.

Illinois Assistive Technology Program

The Illinois Assistive Technology Program provides assistive technology, home modification and credit builder loans at 3-5% APR for qualifying Illinois residents with proof of a disability. Learn more and apply for a loan at iatpatloans.org or by calling 217-522-7985.

Lending Circles

In a Lending Circle, a small group of people chip-in every month and lend money to one another at no interest. Learn more at missionassetfund.org/lending-circles/.

If you want additional financial coaching to help guide you through your options, check out Capital Good Fund's financial coaching hotline, 866-584-3651.



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