

Heartfelt needs

Hebrew Free Loan Association of Greater Washington retools for the 21st century

By Jacqueline Hyman
Staff Writer

At age 41, Ronit is still paying off student loan debt from her undergraduate years and her two master's degrees. Her student debt is around \$60,000. Her husband, Daniel, is 53 and has about \$20,000 in student loans to repay.

And there's debt on top of debt — another \$30,000 to \$40,000 of red ink for the Rockville couple. (We've changed their names to keep the family's finances anonymous.) They've been through rough patches, including two car accidents in two years and a year when Daniel was out of work while Ronit was still in school.

Now, Ronit is working as a special education teacher, and Daniel drives for courier company DHL. They make too much to qualify for government assistance, Ronit says, and her low credit score practically assures them that any loan they took out would have an impossibly high interest rate.

The couple has no family in the area to help look after their 11-year-old son and 6-year-old daughter.

"[We] can't seem to catch up even though I have good job with

the county and he now has a good job," Ronit says. "It's just the times that we're down were bringing us so low down. And so under. Even when we're up, we're not far up enough."

Last year, the family's financial adviser suggested they look into Hebrew Free Loan Association of Greater Washington as part of the solution to their financial problems. Founded in 1909 to help impoverished immigrants and shopkeepers seeking capital, the association gives out interest-free loans to members of the Jewish community, which can be repaid in 24 to 36 months.

Ronit and Daniel are the new faces of Hebrew Free Loan Association — middle class people struggling to pay for a middle class life in a time of rising costs.

"Everyone who's coming to us has a need that's very close to their heart," says Shuli Tropp, Hebrew Free Loan Association's executive director.

At any given time, the organization has out 40 to 70 loans, says David Farber, president of the board. He adds that the association has \$700,000 in circulation to people like Ronit and Daniel.

Ronit applied for a \$33,000 interest-free loan to pay off credit card debt. In April, she was approved for \$10,000. The

ANNUAL MEETING TOMORROW.

Hebrew Free Loan Association Also to Discuss Federation.

The annual meeting of the Hebrew Free Loan Association will be held tomorrow afternoon at 3 o'clock at the Sixth Street Synagogue, 6th and I streets northwest. After the meeting the question of the federation of all the Hebrew charitable organizations in the city will be discussed, it is announced.

The object of the Free Loan Association is to lend money to those in need, instead of giving alms.

During the year ended October 31 a total of eighty-three loans were made. Twenty-four loans were made to grocers, sixteen to tailors, eleven to second-hand storekeepers, six to shoemakers and six to peddlers, while twenty other loans were made.

Seventy-five of the eighty-three loans went to married men, five to widows, while single men applied for but three loans.

Washington Evening Star, November 25, 1916, Page 10

A November 1916 article from the Washington Evening Star details the loans made in the previous Jewish year.

Photo provided



Bryant Hutson, left, and Rob Bernstein are pursuing gestational surrogacy to start a Jewish family, with help from Hebrew Free Loan.

Photo by David Stuck

association this year capped loans at \$10,000 to be able to help a greater number of people. By law, Hebrew Free Loan cannot give loans to pay for tuition, but it can help students pay for other expenses.

During their rough patches, Ronit paid the rent with a credit card.

"Who does that? It's ridiculous," she says. "But we had to. We didn't — we didn't have a choice."

She says she pays \$400 every month that only covers interest, but not the card balance itself. If she only pays the minimum balance, it will take her 23 years to erase her credit card debt. Ronit knows she could pay off her debts faster if she didn't pay for drum rentals and Hebrew lessons for her children.

"I make that choice," she says. "I want to be able to give them a good, balanced education."

Ten men each gave \$55

In 1909, when Hebrew Free Loan Association of Greater Washington was founded, the United States was in the middle of a great immigration wave. Some 2 million Jews were among the 20 million immigrants to this country before Congress restricted immigration in 1924.

By 1920, about 10,000 Jews lived in Washington,

according to the Jewish Virtual Library.

The immigrants "had no capital of their own, they had no access to capital," says Farber. "They couldn't walk into a bank and get a loan because they were poor immigrants."

To help other Jews sustain their new lives, 10 men contributed 55 dollars each to create the Hebrew Free Loan Society. The Washington Evening Star reported in October 1909 that the group's goal was to "eliminate all of the objectionable features of money lending and money borrowing."

The founders believed it was the "only solution to the problem of helping the needy without pauperizing them by the exaction of exorbitant interest charges on the one hand, or of giving them money outright on the other," the article continued.

Loan recipients included grocers, tailors, shoemakers, peddlers and storekeepers, the Evening Star reported in 1916.

"Eventually those immigrants stopped being immigrants," Farber says.

Jews established themselves, entered the professions and increasingly were able to pursue a middle class lifestyle.

"We know that by the '90s, a lot of the loan purpose shifted to social services."

Now Hebrew Free Loans help with 21st century needs: credit card debt, IRS debt, student expenses, unexpected medical expenses and business loans. During January's government shutdown, Hebrew Free Loan gave emergency loans to federal workers whose paychecks were stalled.

Loan for a dream

Rob Bernstein and Bryant Hutson learned about Hebrew Free Loan when Bernstein attended an event last year at the Edlavitch DC Jewish Community Center about family planning. He saw a brochure for the organization, and they decided to submit an application.

The couple wants to pursue gestational surrogacy — transferring embryos created by in vitro fertilization to a surrogate — to start a family. Bernstein, 33, and Hutson, 32, have been considering the surrogacy option, among others, for about three years and have been saving up for the process, which can easily cost more than \$100,000.

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From left, past presidents Fran Kritz and Linda Lourie, executive director Shuli Tropp, vice president Naomi Malka and president David Farber. Kritz was an honoree at a fundraising gala held Nov. 3.

Photo provided

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They researched other loans, like surrogacy planning loans. But they didn't sign for any because of the interest rates — as high as 12 percent, they said.

So they applied for a Hebrew Free Loan, and were approved for \$25,000. (This was before the \$10,000 maximum was imposed.)

“I feel like I can see the light, you know? Like, maybe soon, two years, I'll be able to say, ‘Oh, look, that's done.’”

— Ronit

“There's a huge financial burden involved in the process,” Bernstein says, “and that's a fact and the loan from Hebrew Free Loan...”

“...helps sort of soften...” Hutson interjects,

“...by being able to spread out part of that financial burden over several years,” Bernstein says.

Bernstein and Hutson have been together for 11 1/2 years. They got married in September and say their house in Columbia Heights is a great place to raise a family.

With so many people involved — doctors, nurses, the fertility clinic, an egg donor, Hebrew Free Loan and, hopefully soon, a surrogate — Bernstein says the process has been very rewarding.

Bernstein adds, “I think [there's something] beautiful about being able to tell a child, ‘You were so wanted,

and so many people worked so hard to make you possible.’”

For many straight couples, fertility treatments are often a last resort. For Bernstein and Hutson, it's their first choice moving toward an exciting life as parents.

“It's just sort of weird to walk in and have this juxtaposition,” Hutson says. “We're there, happy

and excited to just sort of be surrounded by these other families and couples who all are just running into so many roadblocks trying to do the exact same thing.”

The two are hopeful and excited at the prospect of becoming fathers.

“To be able to teach someone, you know, watch him or her develop that sense of wonder and interest and love for what's going on in the world around him or her,” Hutson says. “I think that's what I'm most excited about.”

“And this has been a shared dream for both of us for a long time,” Bernstein adds, “so we'd be very happy if it becomes a reality.”

For Ronit, it's finally starting to feel like her family is getting above water.

“I feel like I can see the light, you know? Like, maybe soon, two years, I'll be able to say, ‘Oh, look, that's done,’” she says. “We're working toward it now. Finally, [we're] in a place that really makes a difference.”

The ancients knew how loans given without interest can strengthen community bonds.

“We're following the biblical verse that says not to charge interest to your fellow Jews, and that's important to us,” Tropp says, referring to Exodus 22:25. “We're here to help people to grow and be able to do the things they need to do that they can't do with high interest loans.” **WJW**

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