Capital Good Fund launches new Crisis Relief Loan program

By Nancy Lavin

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CAPITAL GOOD FUND, a Providence-based nonprofit financial institution, has started a new, low-interest loan program for people affected by the COVID-19 pandemic.

PROVIDENCE – A Providence-based nonprofit lending institution has launched a new low-interest loan program to help those taking a financial hit from the new coronavirus.

The Crisis Relief Loan program, debuted by Capital Good Fund on March 26, offers loans of up to $1,500 at a 5% interest rate to anyone affected by COVID-19 in the states where Capital Good Fund operates, which includes Rhode Island. The 15-month repayment plan includes no payments for the first three months and a two-day time period to respond to applications, with underwriting based on applicants’ pre-crisis income.

Andy Posner, CEO and founder of Capital Good Fund, described the program as a natural way for the organization to continue its mission of helping those in need.

“We’re coming into this in a financially healthy position, so we can leverage our balance sheet to do good,” he said.
Posner, a Brown University graduate who started Capital Good Fund in 2009 on the heels of the last recession, said the current crisis was like none he had seen or could have predicted.

“It’s as bad or worse than what people are seeing,” he said.

Unlike banks, Capital Good Fund’s funding sources – a mix of grant money and below-market-rate loan capital – allow for more flexibility on repayment plans, as well as a faster turnaround on applications, Posner said.

Capital Good Fund will also offer its existing 2,000 clients the option to restructure or defer loan payments for at least three months.

Anticipating a decrease in loan activity in programs designated for buying cars or energy efficiency improvements, Posner has refocused efforts on the new crisis loan program, along with existing auto-refinance and immigrant-cost loans.

“We’re all-hands-on-deck ... hoping to do as many crisis loans as possible,” he said.

To apply for the Crisis Relief Loan program, visit capitalgoodfund.org/en/loans/crisisloan. To donate to Capital Good Fund, visit capitalgoodfund.org/donate.

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