Beware of any loan that seems too good to be true. Anyone seeking a personal or business loan may unknowingly become victims of predatory lending. Predatory lenders deceive unsuspecting borrowers into unaffordable loans with hidden costs and unclear terms.

How to Recognize a Predatory Lender:

Promises Fast, Pre-approved, Easy Loans
- Offers unsolicited loans via phone, e-mail, door-to-door, or online advertisements.
- Promises to get you out of debt with a quick and easy “click.”
- Guarantees a loan before you apply.
- Claims to have checked your credit report and promises a pre-approval.
- Claims a “click” or “signature” will get you the money and does not provide you with loan disclosures or documents to read.

Talks about “Affordable” payments
- Rolls fees (to process or release loan) and high interest rate into your loan and discloses only an “affordable” daily or weekly payment.
- Promises one set of terms, but presents agreements with different terms that may include a large “balloon” payment.
- Debits automatically from your checking account and/or credit card.
- Pressures you to apply for more than you need.
- Refuses to give the lender’s physical address and location.
- Only gives you an email as their contact.

REMEmber, fast loans are not always better! You want to get loans that are best for you.

Where to Find a Reputable Business Lender:
The City of Chicago wants to play an active role in helping our small businesses thrive. Learn more at www.cityofchicago.org/businessloans.