

FIFTY-THIRD ANNUAL REPORT  
OF THE  
HEBREW FREE LOAN ASSOCIATION

Meeting held January 11, 1940, at Y. M. & W. H. A.

A MEMBER OF THE FEDERATION OF JEWISH PHILANTHROPIES  
AND  
THE COMMUNITY FUND

Meeting every  
Tuesday evening  
6 to 8:30 p.m.

Federation Building  
15 Fernando Street  
Pittsburgh, pennsylvania

## HISTORY

Fifty-three years ago, a handful of reverent Jews gathered in a private home to solemnize the eve of Yom Kippur. This prayer meeting had begun a week before, in the same home, with the celebration of Rosh Hashonah and after the holidays their hearts touched with religious fervor, these men were confronted by a problem. They had \$50 left over from the prayer meeting, and must decide which deserving charity should receive it.

The decision, when it came, was inspirational. For these men set up a benefit society designed to grant free loans to deserving Jewish men and women. A decision which required great courage, foresight and faith. Qualities that these men all possessed to a marked degree. There was Simon Shupinsky, at whose home the meeting was held; Dr. Max Fineberg; Abe Mintz; Julius H. Cohen, Mayer Rosenblom, and others. And this pitifully small fifty dollars was the humble beginning which has since flowered into the Hebrew Free Loan Association, as an ever flowing spring (Be'air Mayim Chaim).

For the first few years this benefit society was financed by dues-paying memberships. It granted loans of \$5 to \$25. Not much, perhaps, but it was to grow. For gradually the organization became more community-wide in scope. Pushkes (charity boxes) were installed in the synagogues, and collections were made every Monday and Thursday. In addition, inspired by the same zeal that had spurred its founders, charitable-minded Jews contributed to collections for the Association at weddings, births and other celebrations.

Then in 1912, the Federation of Jewish Philanthropies was formed, and the Hebrew Free Loan Association became a part of it. A great dream, dreamed in 1887 in Simon Shupinsky's home, had come true.

In 1929, the present administration took charge of the Hebrew Free Loan work. And again a problem arose which required courageous handling. A problem which was met with generosity as well as courage. For finding treasury funds insufficient to take care of the loans granted, members of the Loan Committee were called upon to make personal advances which, at times, amounted to as much as \$750.

These early hardships tempered the Association for later and greater ones. The panic of 1929, the flood of 1936. Both of these brought additional demands as well as a new kind of borrower. One who previously had always been in comfortable circumstances, and had in many cases even been a contributor to charitable organizations. But these new responsibilities were met fearlessly. Members worked hard often until midnight, to make sure that all deserving cases were carefully considered and acted upon.

In our work during the flood we were greatly aided by the \$5,000 loan made to us by the National B'nai B'rith. With the money we were able to help 32 flood sufferers in the amount of \$8,500.00. These loans were not confined to Pittsburgh proper, but also covered areas as far as Wheeling and Johnstown. Instead of a 20% loss on these loans as we expected, the total sum amounted to only \$250 or about 3%. The B'nai B'rith, however, was repaid in full.

And now, in its fifty-third year, the Hebrew Free Loan Association can look with pride upon its founders and upon the good work it has done!

## AIMS AND PURPOSES

The primary purpose of course is to enable an individual to provide a living for himself and his family in business, trade or a profession. This is accomplished through granting cash loans without any charge or interest.

In this rehabilitation, many men are saved from becoming a public charge. Heads of families who through unfortunate circumstances are unable to secure the capital necessary to maintain their economic status on a self-respecting basis are served by the Association.

The Loan Committee accepts as a guarantor anyone who owns real estate with equity sufficient to guarantee the loan. It also accepts businessmen as endorsers. In some instances where the borrower cannot secure the necessary endorsers, the loan is granted as a so-called "Non Guaranteed Loan," or moral risk. For, important as it is that the loan be repaid, it is even more important that the loan be of a constructive nature. Loans are in most cases granted immediately, and repayments are based on the borrower's ability to pay.

Loans are granted with as simple a procedure as possible, and borrowers are met on equal terms in an effort to avoid all embarrassment. In trying to rehabilitate as many needy borrowers as possible, the Loan Committee approaches each case in the spirit of friendly help, forgetting past errors of commission or omission.

The Loan Committee will always grant a loan if in its judgment the borrower has a chance to make good at his new endeavor and once more become a self-supporting, self-respecting citizen of the community.

In the past ten years, \$525,000 was loaned to 4,994 heads of families in Pittsburgh and surrounding territory. The borrowers were not charged on any of these loans. And during these ten years, \$512,571 was collected. This loss of less than 3% - a little over \$12,000 - is insignificant compared to the amount of loans granted. And considering that this was during the period of one of the worst depressions in history, the Hebrew Free Loan Association has reason to be proud of this record of its borrowers!

LETTERS OF APPRECIATION FROM BORROWERS

- Letter A - "I have already paid off the balance of my \$500 loan that you kindly loaned us. Without your help, I could never have gotten started again, but with your wonderful assistance, I was able to get back on my feet. Firms gave me credit because of your loan, and thank God I have now weathered the storm. Am making a living and coming back slowly but surely. May God bless you all in your wonderful work. Sincerely yours....."
- Letter B - "We wish to thank you for the loan you extended us. It meant more than you will ever know and we will always appreciate it. May your faith in mankind never be shaken.
- "I am sorry I cannot enclose more than \$5 as my donation, but hope to do better next time. Very truly yours...."
- Letter C - "Please be advised that I have this day made my last payment of \$20 on the \$1000 loan extended to me last September. It is difficult for me to express in words my appreciation for your favor, especially since I was so badly in need of funds to enable me to continue in business after our terrible catastrophe. All of us should take pride in knowing that there is in existence an organization such as yours to help at least in a financial way in times when help is needed. I am sure you know that payments on my loan were made strictly in accordance with your terms and I am most happy in the fact that I was able to meet my obligations in that manner. Very sincerely yours..."
- Letter D - "We are very grateful to you for having come to our assistance a year ago and enabling us to get started once again. Today we are happier still because that obligation has been repaid. Many thanks to you for having the confidence in us. We know that you are doing a wonderful thing for the community and to help further this worthy enterprise and to express our appreciation, we enclose our donation for \$25. Yours truly..."

LETTERS OF THANKS FROM OTHER ORGANIZATIONS

"I am in receipt of your letter of the 15th instant and check for \$500 referred to herein. I wish to thank and compliment you and your fellow officers of the Hebrew Free Loan Association for the very efficient and intelligent way in which you administered the fund created by B'nai B'rith for relief of flood sufferers. The repayment of this advance in full reflects credit alike upon your association, which administered the fund and the beneficiaries, who so religiously observed their promise.

"With kindest regards, believe me,"

Very sincerely yours,

Alfred M. Cohen, President  
National Office of B'nai B'rith

(From the Visitation Committee to the Endorsement Committee of the Community Fund of Pittsburgh)

"In the opinion of your Committee, there are few agencies which can be more heartily approved than the Hebrew Free Loan Association. Its work, both in conception and execution is particularly constructive. This organization was thoroughly tested by experience of almost a half century with results that indicate the merits of both its plan and the fidelity and intelligence, with which the officers are administering the plan should certainly be appreciated by all.

"In a contact with a great number of institutional boards, we have never met one which showed a finer zest in its work or a more complete devotion to the purpose of the organization. This board, and it may be said particularly its officers, functions actively in ways, which takes a great deal of time week in and week out throughout the year. The system by which duties are allocated to the Board members and by which its officers are developed, is most commendable.

"The purpose of the organization is to keep families on their own feet and off relief rolls. This seems to be accomplished in a notable number of cases. There is no doubt in our minds that every reasonable precaution is exercised in granting of loans and every justifiable procedure followed in their collections.

"The improvement in economic conditions during the next few years means that there will probably be even a greater demand for loans from this fund than in the past. It would be to the advantage of the Community Fund to experiment on character loans or so-called "non-guaranteed loans." We therefore recommend most earnestly that the Hebrew Free Loan Association be given an additional \$1,000 for that purpose."

Respectfully submitted,

Carolton G. Ketchum, Chairman  
P. H. McCance, Vice-Chairman

(The originals of any of the above letters will be shown to anyone wishing to see them.)

INCOME FROM BEQUESTS AND CONTRIBUTIONS SINCE 1931

We remember with affection those whose financial contributions made it possible during the most trying years to carry on our work.

Marks and Rose Browarsky who left an endowment for Free Loan purposes. The Federation of Jewish Philanthropies turn over the income of same to the Hebrew Free Loan Association, an amount not less than \$2,000 annually.

Sol Rosenbloom Trust Fund gives us an annual income of about \$100.

Max L. Blum Free Loan Fund, a \$6,000 trust fund created by Mr. Blum's family in his memory. The income and contributions to said fund, which amounted to \$486.05 since its creation in January 1938, has been used for Free Loan purposes.

In addition during the same period we have received the following contributions to our capital fund:

The Linton Estate bequest of \$100.00.

The Robert Lewin legacy of \$500.00.

Mrs. B. R. Toplitz bequest of \$150.00.

A. L. London Estate - \$117.00.

Simon Brasely bequest of \$200.00.

Rachel Browarsky bequest of \$300.00.

Harry Palley will, our share \$740.22.

From the United Jewish Tri-State Flood Relief - \$800.00.

J. Abrams bequest of \$100.00.

In memory of  
Nettie Kann by her family - \$100.00.

Morris Browarsky bequest of \$200.00.

Julius H. Cohen bequest of \$100.00.

Sidney A. Teller, on the anniversary of his twenty years as Secretary of the Hebrew Free Loan Association \$20.00.

Morris Rosenbloom bequest of \$500.00.

Rachel Wolk bequest of \$250.00.

Libbie Sachs bequest of \$50.00.

K. Kovacs \$25.00 - donation.

During the same period we also received from twenty-three former borrowers, donations in the sum of \$165.20.

1939 REPORT OF EXECUTIVE SECRETARY

Cash Balance - January 1, 1939, in Peoples Pittsburgh Trust Co.	\$ 2,267.46
Cash Balance - January 1, 1939, in Union Trust Co.	<u>3,000.00</u>
	\$ 5,267.46

RECEIPTS DURING 1939

Collections on Loans		70,244.81	
Max L. Blum Free Loan Fund (Principal \$6000)			
Interest on Fund	209.34		
Donations to Fund	<u>60.00</u>	269.34	
Rosa & Marks Browarsky Fund (Federation)		2,000.00	
Community Fund (Federation)		<u>1,414.50</u>	3,683.84
Interest on Endowment Fund			111.74
Bequests			300.00
Donations			36.50
Received from other funds			
B'nai Brith Fund (for refugees)	1,500.00		
United Jewish Fund " "	1,000.00		
Fidelity Trust (part of principal repaid)		<u>194.81</u>	2,694.81
Received from Guarantors			400.00
Received Loan from Max L. Blum Free Loan Fund			1,500.00
Collections from Charged Off Loans			1,000.00
Returned checks redeposited			21.48
Miscellaneous			<u>1.00</u>
	TOTAL RECEIPTS		<u>79,994.23</u>
			\$85,261.69

DISBURSEMENTS DURING 1939

Loans Granted		71,155.04	
Repayment of Guarantors' advances			135.00
Repaid Loan from Max L. Blum Free Loan Fund			1,500.00
Expenses of Administration			
Vault for pledges	22.00		
Collections	1,066.54		
Office Expense	40.29		
Postage	47.96		
Delinquent Letters	9.90		
Printing	97.50		
Insurance and Bonds	21.25		
Miscellaneous	19.68		
Salary	1,200.00		
Janitor	45.00		2,570.12
Cash transferred to Non-Guaranteed Account			<u>592.00</u>
	TOTAL DISBURSEMENTS		<u>75,952.16</u>
		BALANCE	\$9,309.53

This balance consists of

Cash in Peoples-Pittsburgh Trust Co.	4,309.53
Cash in Union Trust Co.	<u>5,000.00</u>
Total	9,309.53

COMPARISON OF LOANS GRANTED	1/1/39 to <u>12/30/39</u>	1/1/38 to <u>12/30/39</u>	Increase	Decrease
Total Amount Loaned	71,155.04	63,635.50	7,519.54	
Number of Loans Granted	540	513	27	
Average Amount of Loan	131.75	124.00	7.75	
COMPARISON OF LOAN REPAYMENTS	70,244.81	61,183.68	9,061.13	

REFUGEES

The Hebrew Free Loan Association has used the sum of \$7,666.95 in helping thirty-two refugees to establish themselves in the following trades, professions and occupations:

5 salesmen	\$1,225.00
1 music teacher	100.00
1 furniture dealer	200.00
2 physicians	360.00
1 photographer	150.00
1 mining expert	150.00
3 grocery store proprietors	900.00
1 egg salesman	145.00
1 cattle dealer	200.00
1 collector	200.00
3 Rabbis	850.00
2 students	240.00
2 farmers	1,000.00
2 junk dealers	306.61
1 candy maker	200.00
1 accountant	500.00
2 boarding house proprietors	600.00
1 former waiter	340.00

These refugees have already paid back on account of their loans the sum of \$2,677.37, leaving an unpaid balance in the sum of \$4,999.58. It should be understood that special donations and the following funds were the only sources of sums used for Refugee Loans:

Max L. Blum Fund	\$269.34
B'nai B'rith	1,500.00
United Jewish Fund	2,500.00



1939

HEBREW FREE LOAN ASSOCIATION OFFICERS AND BOARD OF TRUSTEES

Emil Steinbach . . . . . President  
Rabbi A. M. Ashinsky . . . . . Honorary President  
Israel Oseroff . . . . . First Vice-President  
Joseph Goldstein . . . . . Second Vice-President  
Sidney Bachman . . . . . Honorary Vice-President  
Morris Balter . . . . . Treasurer  
Morris Kwall . . . . . Assistant Treasurer  
Samuel Goldstock . . . . . Secretary  
Sidney A. Teller . . . . . Assistant Secretary  
A. R. Glick . . . . . Executive Secretary

Israel A. Abrams	Isaac Cohen
Simon Anathan	Max Engelberg
Max Azen	Fred Gluck
Jeannette B. Bachman	Alex Harris
M. D. Bachrach	Sidney Heymann
Martin C. Baer	Morris Kwall
Dr. Ludwig Bernstein	S. M. Oshry
Richard J. Blum	Max Perilstein
Benjamin Chait	Meyer Rosenbloom
Maurice Chaitkin	Emanuel Spector
Sidney Stark	Abraham Weil

Dr. Maurice Taylor, Executive Director  
Federation of Jewish Philanthropies

Anyone interested in the Hebrew Free Loan Association may be present at a weekly Tuesday meeting. If you wish to attend, please call GRant 2033 at least a week in advance.