**AMOUNT OF FUNDING AVAILABLE**
The NMEDD can guarantee a portion of a loan or line of credit up to 80% of the principal or up to a maximum participation of $50,000. The lender sets the terms of the loan. NMEDD has no restrictions on length of term, loan amount or interest rate; however; during this time NMEDD requests that the lender set a fair and reasonable interest rate.

Loan uses are flexible and can be used for, and not limited to the following:
- Working capital
- Inventory
- Payroll

**ELIGIBILITY**
To qualify for this program, small businesses must meet the following criteria:
- Borrower must be a resident of New Mexico.
- Business must be located in New Mexico and all jobs of the business created and retained must be located in New Mexico.
- Be current with all government debt obligations, State and Federal.
- Business must exhibit a negative impact on business by COVID-19 in the narrative section of the application.
- Non-profits are eligible.

**REQUIREMENTS TO APPLY**
Individuals who are interested in the NMEDD Business Loan Guarantee Program should approach their lending institution or locate a participating lender to discuss getting a loan or a line of credit. The Lender will then vet the projects and apply to the program, this process is short and available online. Upon approval, NMEDD and the Lender will sign a guarantee agreement. Once the agreement is signed, the Lender will make the loan. NMEDD guarantees the loan; and in the case of a default, NMEDD pays lender guarantee amount within 30 days of default.

Supplemental Forms:
- A PDF version of the application is available [here](https://example.com) (signed by lender).
- Agreement between NMEDD and Lender (signed by both parties).
- NM State [W9 Form](https://example.com).
- Federal [ACH Form](https://example.com) (to enable NMEDD to transfer funds electronically).
- Loan Default Submission Form (lender submits form to NMEDD).
CONSIDERATIONS

- NMEDD’s guarantee can be in place for up to two years.
- Borrowers work with their lenders. Lenders apply to the program for a guarantee.
- A list of participating lenders can be found here.
- Ineligible uses of the loan proceeds include:
  - Financing non-business endeavors.
  - Passive real estate.
  - Residential real estate.
  - Reimbursing funds owed to owner.
  - Repayment on delinquent taxes.

WHO CAN BE CONTACTED TO PROVIDE TECHNICAL ASSISTANCE AND SUPPORT?

Individuals may contact EDD-Finance@state.nm.us or 505-469-6204 for any questions relating to the program.
For additional program information please contact Johanna Nelson at Johanna.Nelson@state.nm.us.