

**PROGRAM:** Enterprise Loan Fund of Northwest New Mexico (ELF) **Information Not Updated**

**AGENCY:** Northwest New Mexico Community Development Corporation

**DESCRIPTION:** The ELF seeks to assist existing business expansion and new business start-up in San Juan, Cibola and McKinley counties. The intent of the program is to assist in creating and saving jobs by providing loans in partnership with private sector lenders which improve the bankability of businesses and projects that can employ a majority of people from low- and moderate-income backgrounds.

**ELIGIBLE USE:**

- ELF focuses on subordinated loans in two categories:
  - (1) Asset collateralized financing to enhance the overall strength of the borrowers loan package; and
  - (2) Operating/working capital loans to help small businesses that have reasonably strong expectations of long-term success.
- ELF resources are used to supplement, not duplicate or replace private lending and equity sources. The basic role of ELF is to provide gap financing. ELF loans must be leveraged 2:1 by private sector lending and borrower equity.

**PROGRAM/LOAN STRUCTURE:**

- Maximum Program Benefits: The maximum loan cannot exceed \$150,000.
- Equity: A minimum of 10%.
- Maturities: The term varies based on the items being financed.
- Rates: Loans are fixed at approximately the prevailing prime rate.
- Fees: Fees vary. Both application and origination fees may be charged.

**QUALIFICATION CRITERIA/COMMENTS:**

- An applicant is eligible only when credit is not otherwise available on terms and conditions which would permit successful completion and operation of the project.
- The loan amount may not exceed one-third of the total project cost.
- ELF may require endorsements, collateral, key personnel insurance and other such measures to protect its collateral.