



Collateral Support Loan Participation Program

In 2011, New Mexico was authorized to receive \$13,168,350.00 from the US Department of Treasury as part of the State Small Business Credit Initiative provided through the Small Business Jobs Act of 2010. The Finance Authority administers these funds on behalf of the State through the Collateral Support Loan Participation Program.

*Through the Collateral Support Participation Program, the Finance Authority is able to partner directly with banks to provide capital to credit worthy businesses seeking to expand, create or retain jobs by offering an efficiently lower the interest rate paid by the business. To mitigate the bank's risk by purchasing a portion of the bank's loan, often in a subordinated collateral position. The amount of the Finance Authority's participation will vary based upon the location of the business, the term of the loan and the collateral position offered to the Finance Authority. *The application for this program is submitted by the bank on behalf of the business.*

SMALL BUSINESS ELIGIBILITY CRITERIA:

- Be located in New Mexico*
- Have 500 or fewer employees*
- Use the loan proceeds for business purposes*
- Be a non-profit corporation, for-profit corporation, LLC, partnership, sole proprietorship, cooperative or other entity that is authorized to conduct business in the state of New Mexico*
- Meet the bank's lending requirements with the exception of the deficient collateral, which is enhanced through the program.*

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