

## Two new loan programs are available to businesses impacted by COVID-19

The **Main Street Lending Program**, which was funded by the CARES Act, became fully operational on Monday, July 6. It offers five-year loans of \$250,000 or more to qualified businesses that were in sound financial condition prior to the pandemic but now need financing to maintain operations. Interest is set at **LIBOR** plus 3 percent, with interest payments deferred for one year and principal payments deferred for two years. Borrowers must apply through a participating lender. A link to participating lenders in New Mexico will be provided as soon as the list is released, however, Albuquerque Business First has reported that Main Bank, First American Bank, Citizens Bank of Las Cruces, Valley Bank of Commerce, and Wells Fargo Bank are participating.

The **New Mexico Small Business Recovery Program**, enacted by the New Mexico Legislature during the June, 2020 special session, was signed by Gov. Michelle Lujan Grisham today, July 7. New Mexico businesses and nonprofits that reported less than \$5 million in gross revenue on their 2019 income tax return and experienced 30 percent or greater reduction in monthly gross revenue in April and May of 2020 (compared to the same period in 2019) can apply for a low-interest, three-year loan of up to \$75,000. Interest is deferred for the entire three-year term, after which principal and interest can be paid in full or converted into a new three-year term that requires monthly payments of principal and interest. The New Mexico Finance Authority will manage the program, and it expects to begin accepting applications on August 3. The NMFA **FAQs page** gives a list of documents applicants can begin preparing now.