DIRECT LOANS

New Jersey-based businesses in operation for at least two full years, committed to job creation/retention in New Jersey, may be eligible for direct loans through the NJEDA.

NJEDA
ECONOMIC DEVELOPMENT AUTHORITY

FUNDING UP TO $2,000,000

Must commit to retention and/or creation of one new full-time job for every $65,000 of NJEDA exposure within 2 years.

Up to $2 million in funding for fixed assets. Up to $750,000 in funding for working capital.

1.1x debt service coverage ratio; 1.0x debt service coverage ratio for not-for-profits.

Offers businesses: Lower interest rates. Longer terms. Fixed rate.

smallbusinessservices@njeda.gov
(844) 965-1125
www.njeda.gov
@NewJerseyEDA

Additional information about NJEDA's **Direct Loans:**

- NJEDA direct loans provide the following terms: Up to 5 years for used equipment, up to 10 years for new equipment and up to 25 years for real estate transactions.
- Base rate is the 5-Year US Treasury or 1%, whichever is higher; the rate may also be adjusted based upon the applicant's creditworthiness.
- Business must be in operation for at least two full years.
- Applicant/business must be able to provide fixed assets as collateral (e.g. real estate property and machinery/equipment).
- Applicant/business must be able to provide a current Business Tax Clearance Certificate.
- Projects utilizing NJEDA financial assistance for construction related costs are subject to state prevailing wage requirements.
- Pursuant to P.L.2017, c.261, direct loans of up to $3 million may be available to qualified businesses in targeted urban centers, regional centers, and metropolitan planning areas.
- Application fee: $1,000. Commitment fee: 0.875% of loan amount. Closing fee: 0.875% of loan amount. *All fees are non-refundable.*
- Home-based business are not eligible.

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