



NEW JERSEY DEPARTMENT
OF CHILDREN AND FAMILIES

New Jersey Department of Children and Families Policy Manual

Manual:	NJAC	NJ Administrative Code Excerpts	Effective Date:
Title	5	Community Affairs	
Chapter	62	Women'S Micro-Business Program	1/6/2011
Subchapter:	4	Program Operational Requirements	
Section	2	Loan requirements (N.J.A.C. 5:62-4.2)	

§5:62-4.2 Loan requirements

(a) Funds may be used for working capital, inventory, supplies, furniture, machinery, equipment and/or fixtures.

(b) The maximum loan amount is \$5,000. Of this loan amount, 25 percent of the matching funds shall come from funds of the grantee agency. Loans may be bundled into a larger loan as long as the grantee agency adheres to the requirements of the Act (rate, target audience, etc.) as it pertains to the Department's portion of the loan.

(c) The interest rate shall not exceed three percent.

(d) The grantee agency may allow the borrower up to five years for loan repayment.

(e) Loan repayment may be structured with combined principal and interest payments or on an interest-only basis. The grantee agency may waive repayment under extenuating circumstances, with the approval from both New Jersey Redevelopment Authority and the Division. If client defaults on loans, grantees are not responsible for repayment of the loan back to the Division.

(f) Each applicant shall pay an application fee of \$50.00.

(g) Each applicant shall be required to provide a personal financial statement, current and prior year tax returns and, if required, a personal or corporate guarantee. The grantee agency may obtain and file a security interest in a lien any equipment purchased with the proceeds of the loan.