

FUNDING SOURCE

The "5 For 5" loan pool is funded by a Revolving Loan Fund grant from the U.S. Department of Agriculture (USDA) - Rural Development through their Rural Business Development Grant program. This program is for small businesses in rural areas, of which the Town of Bedford is one.

In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age or disability.

**"5 FOR 5" IS HERE TO
HELP YOU SUCCEED.**

CONTACT US

Mary Zirkle, Economic
Development Coordinator
215 E Main Street
Bedford VA 24523
540-587-6006
mzirkle@bedfordva.gov
www.betterinbedford.com



Small Business Loan Program

TOWN OF BEDFORD



HOW IT WORKS

Talk to the Economic Development Coordinator about your loan needs. Staff will walk you through the application process. When everything is in place, you and the Coordinator will meet with a committee of the Town Economic Development Authority to help them understand your request. If approved by the committee, the request will go to the full Authority and then on to closing for the loan.

Full Details at
<https://www.betterinbedford.com/5for5loan>

**LOANS CAN HELP YOU
LAUNCH YOUR IDEA AND
GROW IN BEDFORD!**

ELIGIBILITY

The Eligibility Requirements for the Small Business Revolving Loan Fund Include:

1. Provide proof that the business or building is located and has a permanent physical address in the Town of Bedford.
2. Provide proof that the business is a privately-owned, for-profit business employing 20 or fewer employees currently. To meet the definition of "small business", Rural Development also requires they have gross sales of less than \$1 million.
3. Commitment that the applicant put in 10% of project funds.
4. Provide proof of collateral. Assets used as collateral may include cash, land, buildings, or equipment. Proof of hazard insurance in sufficient amount to protect the collateralized asset may also be required. Business owners will be required to give personal loan guarantees where other security is not available.
5. Provide proof of equity interest in business.
6. Provide a business plan (assistance available).
7. Demonstrate that one full-time-equivalent job will be created or retained for every \$5,000 borrowed from the Small Business Revolving Loan Fund.

THE BASICS

\$5,000 FOR 5 YEARS @ 2%

If you have an existing business in the Town of Bedford or plan to start one, you can borrow between \$5,000 and \$20,000 for 5 years at 2% interest. The loan amount is based on jobs. You can borrow \$5,000 for every job you add or keep in the Town. This includes your job.

BENEFITS

The "5 For 5" loan pool can give you the capital boost you need to buy equipment, fund payroll, make improvements to the property, get into a building and out of your garage - whatever you need to start or grow your business.

REQUIREMENTS

Your new or existing business must be in the Town of Bedford. You would be responsible for 10% of the project cost. For example, to borrow \$5,000, you would need to be able to fund \$556. Additional fees such as closing costs and background check are required.