

## Eligible Projects

All types of businesses are eligible to submit an application, including but not limited to **INDUSTRIAL, WHOLESALE, RETAIL, and SERVICE**. The following activities will be eligible for STEDO loans by sector:

**FIXED ASSET** loans for acquisitions of land, buildings, plants, and equipment

**LAND COSTS**, including related costs associated with acquisition and preparation of land

**BUILDING COSTS**, including real estate, engineering, architectural, and legal

**MACHINERY & EQUIPMENT COSTS**, related costs associated with acquisition and installation of machinery working capital

**GUARANTEE BANK LOANS**

## Ineligible Projects

The following activities will NOT be eligible for STEDO loans:

### **SPECULATIVE ACTIVITIES**

**RELOCATION** of jobs from one labor area to another

**INVESTMENT**, loans solely for this purpose

**FINANCE EQUITY**, loans that would purchase finance equity in a private business

**CONFLICT OF INTEREST**, loans that create a potential conflict of interest



STEDO is an affiliation of Southern Tier West  
4039 Route 219, Suite 200, Salamanca, NY 14779  
(716) 945-5301 Fax (716) 945-5550  
[www.southerntierwest.org/html/stedo.html](http://www.southerntierwest.org/html/stedo.html)

# STEDO

*Southern Tier Enterprise  
Development Organization*



*A public sector  
loan program for small  
businesses in Allegany,  
Cattaraugus, and  
Chautauqua Counties.*

STEDO  
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Halley Kottwitz, Economic Development Associate

# STEDO Southern Tier Enterprise Development Organization

## General Information

Southern Tier Enterprise Development Organization (STEDO) is an affiliate of Southern Tier West that provides small business owners and entrepreneurs with access to capital through low-interest public-sector loan funds featuring flexible conditions and terms. STEDO funds are derived from loans or grants from US Department of Agriculture and Rural Economic Development, US Department of Commerce and Economic Development Administration, Appalachian Regional Commission, and New York State; and are available to small business owners in Allegany, Cattaraugus, and Chautauqua Counties.

STEDO loans supplement commercial loans to provide affordable and flexible gap financing to assist small business owners in assembling the needed capital to achieve their goals. STEDO works with clients to develop terms and repayment schedules that will allow the client the necessary cash flow at vital milestones in their business plan and growth expectations.

Contact Halley Kottwitz at (716) 945-5301 ext 2207 or e-mail [hkottwitz@southerntierwest.org](mailto:hkottwitz@southerntierwest.org) for a pre-loan consultation or small business development assistance.

**LOANS** range from \$10,000 - \$150,000  
**REPAYMENT** length of time depends on the use of proceeds; usually 5-7 years for working capital and up to 20 years for fixed assets

**APPLICATION FEE** is \$100

**BORROWER** should create and/or retain a minimum of one job for every \$5,000 of STEDO monies borrowed

**LOANS SUPPLEMENT** private commercial bank loans - - they do compete with them. STEDO loans are to be thought of as GAP FINANCING loans

**SUFFICIENT ASSETS** must be pledged by borrowers to adequately secure the loan. Personal guaranties and key person life insurance are required from all owners having 20% or more ownership in the business. Liens on personal assets of the principals may also be required.

### Nondiscrimination Statement:

"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, age, disability, religion, sex, and familial status. (Not all prohibited bases apply to all programs).

To file a complaint of discrimination, write to: USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410, or call (800) 795-3272 (voice), or (202) 720-6382 (TDD)."

