

# SMALL BUSINESS NEWS



CENTER *for* RURAL AFFAIRS

Winter 2024



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# Housing loans available

Little to no credit history or low credit score? We may be able to help.

The Center for Rural Affairs believes in building sustainable communities. To serve more diverse community members, we are often more flexible than traditional lenders.



\$5,000 to \$100,000

## Information and terms:

- Term: Up to 15 years and will be amortized over up to 30 years
- Down payment: We do not require applicants to provide a down payment on property to be purchased. However, applicants who provide a down payment may be eligible for discounted interest rate
- Use of funds: Purchase of home, owner occupied rehabilitation or renovation, emergency repair to a property.

For more information, visit [cfra.org/homeloans](http://cfra.org/homeloans), call 402.687.2100, or email [loans@cfra.org](mailto:loans@cfra.org).



CENTER for RURAL AFFAIRS

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On the cover: Jorge Velasquez of George Flooring in South Sioux City, Nebraska | Photo by Kylie Kai

# New resources available for veterans looking to start a business

By Kim Preston, Lending Services Director

When it comes to determination, discipline, and an unwavering commitment to excellence, few groups exemplify these qualities like our nation's veterans.

As you transition from military service into civilian life, you may embark on a new mission: entrepreneurship. Starting and running a small business is a journey that requires dedication, resourcefulness, and a well-equipped toolbox.

Below we explore available tools that can help you turn your visions into thriving enterprises.

## Veterans Business Outreach Center

This resource is dedicated to providing comprehensive support and assistance to veterans and service members who aspire to start or expand their businesses.

Within the network, business experts offer a range of services including business training, counseling, and mentorship, all of which are designed to equip veterans with the knowledge and skills needed to navigate the complexities of entrepreneurship successfully.

## Boots to Business

Boots to Business is an entrepreneurial program provided on military bases as a component of the Department of Defense's Transition Assistance Program in collaboration with the Small Business Administration.

This free, two-day introduction to entrepreneurship training class covers the topics you need to consider before and as you start your business. Additionally, a scaled-down version of Boots to Business called Reboot is offered off base.

These trainings are provided throughout the year in person and online.

## Fremont Area Veterans Coalition

The Fremont Area Veterans Coalition in Fremont, Nebraska, provides comprehensive support to veterans transitioning into civilian life. This includes assistance in navigating the often complex process of accessing health care benefits and finding suitable housing. The coalition also offers guidance on educational opportunities and job placement, helping you secure stable employment and build prosperous futures.

Business Resource

Read more at [cfra.org/blog](https://cfra.org/blog). If you're a veteran looking for assistance for your business, contact our staff at [wbc@cfra.org](mailto:wbc@cfra.org) or 402.687.2100. 📞



Originally from Honduras, Jorge Velasquez turned to business ownership in the U.S. to provide for his family. The Center helped him navigate the challenges that come with starting a business, and also lent him funds to purchase a new business vehicle and better tools. | Photos by Kylie Kai

## Family and flooring go hand in hand for South Sioux City business owner

By Liz Stewart | Carmen Montes and Carlos Barcenas contributed to this story.

Jorge Velasquez has faced a few challenges along his journey to being the owner of George Flooring, based in South Sioux City, Nebraska.

One of the biggest barriers has been learning the economic system of a different country. Jorge is from San Pedro Sula Atlántida, Honduras, and moved to the U.S. in 2007, looking for better opportunities. He spent years working in meatpacking plants and as a flooring installer before deciding to become a small business owner.

“My number one motivation to keep going forward is my family and, personally, I feel very proud to have my own business,” he said.

He turned to Center for Rural Affairs staff to assist him, and he trusts them to provide more help should he need it.

“They are willing to answer every question and give me the information they have on hand, and if they don’t have the answer right away they will get back to me after they have done their research,” Jorge said. “I think in the business field you’re constantly learning because times change and laws change, and the Center is always willing to be there to support me and others in the Latino community.”

Jorge attended a business class hosted by the Center at his local library and was curious about what else it could offer him.



“There’s just so much you need to know to do business the right way, and I really liked the workshop, so I kept asking for more information from the people that were running the event,” he said.

One of the Center’s loan specialists helped Jorge find additional resources, including classes in bookkeeping and general business administration. In addition, he received personalized one-on-one business counseling.



The Center was also there when Jorge decided to apply for a loan, which he received a month after he opened his business in April 2018. He got a second loan in November 2021.

“Jorge has been innovative with new techniques and has introduced new products to the services that he offers,” said Kim Preston, lending services director with the Center. “At the beginning, he worked by himself, but now he needs helpers because he has grown so much.”

He used some of the loan money to buy a new business vehicle and better tools.

“When you’re starting out, buying those things can be impossible, so the loans have been really helpful because I was able to get everything I needed to start my business,” he said.

Jorge handles all types of flooring installations except ceramic tile. He is working alongside one or two other employees and plans to hire four to five more to help with bigger projects such as hotel flooring.

“I put myself in the client’s shoes; you want to make sure that the job is done well, so that’s always the view I take,” he said. “I try to get the job done

so in the future there are no problems with the installations I offer.”

Jorge hopes to continue to grow his business and takes great pride in how far he’s come.

“It’s one of those things that seems impossible and then it finally happens,” he said. “We have established ourselves with the help of the Center and the help of my family. I feel very happy and satisfied in my life.”

Jorge is planning to work with the Center to see if he can get another loan. He would like to build a storefront so he can offer not only installation but supply flooring products as well.

“I have many ideas for projects—that’s what gives me hope,” Jorge said. “I would like to tell everyone that has the desire to advance to take the next step. Don’t be fearful, take the risk, take the step. Just like anyone who has become successful, they have faced their fears and barriers, and they have faced their hardships, but with a little bit of discipline, you can reach your goals.”

*Need financing for equipment to grow your business? Contact your regional loan specialist. Find yours on pages 10 and 11. 📍*

## Feature Story



# Protecting your small business: the importance of insurance

By Lori Schrader, senior loan specialist, and Jessie Eby

There is no shortage of tasks to juggle when you're a small business owner. From crafting your business plan to thinking about marketing strategies, you're probably doing a lot of things for the first time. But there's one crucial aspect that often gets overlooked in the hustle and bustle of entrepreneurship: insurance.

In this article, we'll explore the importance of insurance for small business owners like you and cover the different types of insurance, selecting the right plan, and getting the coverage you need.

## Does my business need insurance?

In short, yes. General liability and coverage on your assets (equipment, property, etc.) are required if you're taking out a loan, but you should have insurance even if you're entirely self-funded.

Insurance is a safety net that can protect your small business from the unexpected.

And it may be required for you to work with certain clients or partners. In Nebraska, all small businesses with one or more employees are required to have workers' compensation, unemployment insurance, and on some occasions, disability insurance.

## Why insurance matters for small businesses

Insurance can protect your small business from unexpected disasters. Here's why it's so important:

**Financial protection:** Accidents, lawsuits, and disasters can happen to any

business. Insurance can help you avoid crippling financial losses by covering repair costs, legal fees, and more.

**Peace of mind:** Knowing you have insurance can help reduce stress. You can focus on growing your business, knowing you have coverage in the event of an incident.

**Credibility:** Some clients and partners may require you to have insurance before they work with you. It adds a level of professionalism and trustworthiness to your business.

Without adequate insurance, your lender may take out a policy on your behalf, at your expense. This policy serves to protect the lender's interest in your business—that is, your outstanding loan balance. This policy only protects your lender, leaving you and your asset at risk.

## What kind of insurance do you need?

Different businesses have different insurance requirements. The type of insurance your business needs depends on the type of business you own and the way your customers interact with it. Do your customers experience your business in person on your business property? Do they work with you online? Does your business use an automobile? Here are a few of the different types of insurance:



**General liability** is a must-have for most businesses, general liability insurance covers damage, accidents, or injuries that occur on your business premises or as a result of your operations.



**Commercial property** insurance protects your business property, including equipment, inventory, and the building itself from damage due to fire, theft, or other covered dangers.



**Business income** insurance can help replace lost income in an accident or business-interrupting event. This coverage can help you keep up with ongoing expenses such as rent, payroll, or utilities.



**Professional liability**, also known as errors and omissions insurance, professional liability insurance will protect your business from lawsuits if you make a mistake in the services you provide.



**Data breach** insurance helps your business respond to a breach if personal information is lost or stolen.



**Commercial auto** is needed if your business uses one or more vehicles. This covers property damage and bodily injury claims from accidents caused by your business vehicles.



**Workers' compensation** covers employees in case of accidental injury on the job and is a requirement for all employers. This type of coverage can help cover medical costs, pay for ongoing care, and replace lost wages. Learn more about managing employees at [cfra.org/blog](http://cfra.org/blog).

Depending on the insurance agency you choose, you may be able to bundle various coverages into one product. An experienced insurance agent will be able to help you select the appropriate insurance for your small business and make sure you've got the coverage you need.

## What about property?

If you lease your business property, you don't have any insurable interest in the building, but you need to insure the contents of the building such as your inventory, tools, etc. If you own a building and have business tenants, you need to have coverage to replace the building in the case of an accident, and to be able to cover an alternative business location for your tenants to use temporarily.

## How to get insurance for your small business

Shopping around can save you some money in the long run. It's a good idea to begin your search with your auto and home insurance agent. They can recommend the types of coverage your business needs, and you may be eligible for certain discounts or deals by staying with the same company. You shouldn't stop there, though. Shop around for quotes so you can compare pricing and coverage. Don't overlook independent insurance agents; they often have a greater variety of quotes at reasonable prices.

Insurance is an investment in your business's future. It might seem like an added expense now, but it can save you from financial disaster down the road. Taking the time to explore your options and make informed choices now can protect your small business from life's unexpected curveballs. Your business and your peace of mind will thank you for it.

*Do you need personal, one-on-one business assistance? Our business specialists and consultants can work with you virtually or in-person on business planning, financial goals, and more. Request an appointment by emailing [wbc@cfra.org](mailto:wbc@cfra.org).*

# Our loan products

Apply at [cfra.org/loans](https://cfra.org/loans)

## ✓ Small Business Loan

Up to \$250,000 for working capital, equipment, inventory, and real estate.

## ✓ Express Loan

For borrowers with credit needs less than \$20,000. Fewer documents and faster decision.

## ✓ Housing Loan

Mortgage loans between \$5,000 and \$100,000 are available for purchase of home, owner-occupied rehabilitation or renovation, or emergency repair to a property.

## ✓ Meat Processing Loan

Loans between \$50,000 and \$5 million are available for expansion of existing business, start-up of new business, real estate purchase, new construction, facilities update or expansion, equipment purchase, energy efficiency upgrades to facilities and equipment, purchase of an existing business, or working capital.

# Business development services

## Business counseling

Business development specialists are available for consultations on business troubleshooting, cash flow and budget, loan packaging, and more.

## Loan specialists

We have a statewide network of loan specialists ready and willing to help you along your small business journey. Find your specialist on pages 10 and 11.

## Start-up checklist

You have a great idea for a new small business. Congratulations! That's the first step. But, you need to do a few other things to turn that idea into a business. We offer an online checklist with actions to get you started. Visit [cfra.org/business-start-checklist](https://cfra.org/business-start-checklist).

## Events and networking

We host various workshops and networking opportunities focused on emergency preparedness, marketing, business plans, social media, specific industries, and more. To stay up to date, visit [cfra.org/events](https://cfra.org/events).



Funded in part through a cooperative agreement with the U.S. Small Business Administration. All SBA funded programs are extended to the public on a nondiscriminatory basis. The Center for Rural Affairs is an equal opportunity provider and employer.





## Business spotlight

# Latino Legacy Restaurant

**Owner:** Eduardo Erazo Cabrera & Blanca Nieto

**Opened:** October 2019

**Industry:** Food services

**Type of assistance:** Business loan, used to buy an existing business and everything associated with it except the building.

**About the business:** Customers can choose from a variety of Latino dishes from El Salvador and Mexico, as well as a few dishes from Colombia and Puerto Rico.

“ You have to have a love for what you do because if you’re doing it just for money and have little interest, then your business dream might not come true.

The Center for Rural Affairs staff have been really helpful and supportive. Anything that we need, they are our first call. ”

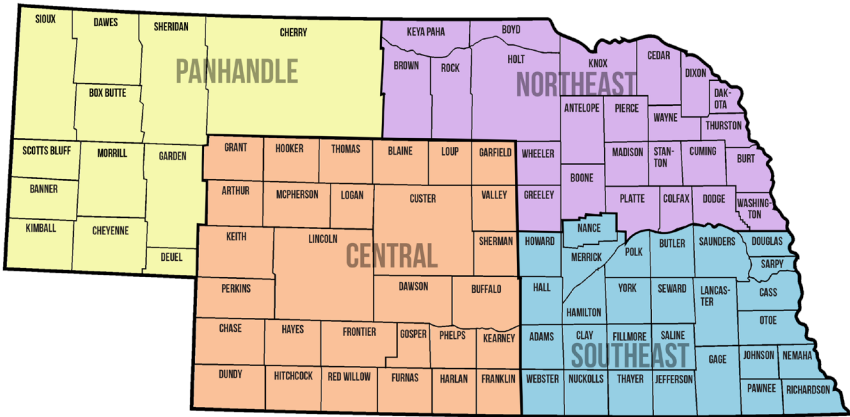
–Blanca

“ For me, it was a dream that I’ve had and did not want to die without making it come true, and now it has. ”

–Eduardo

Business Spotlight

# Find your lender



## Directors

### Lending Services Director:

Kim Preston  
 145 Main St., PO Box 136, Lyons, NE 68038  
 Phone: 402.687.2100 x 1008  
 Fax: 402.687.2200  
 kimp@cfra.org

### Women's Business Center Director:

Jessica Campos  
*Habla español*  
 3180 W Hwy 34, Room 200  
 PO Box 294, Grand Island, NE 68802  
 Phone: 402.870.1521  
 Fax: 402.687.2200  
 jessicac@cfra.org

## Loan Specialists

### Panhandle Region:

Nicci Chitwood, Loan Specialist  
 615 S Beltline Hwy West, Suite 1  
 Scottsbluff, NE 69361  
 Phone: 308.631.0157  
 nicholec@cfra.org

### Central Region:

Becky Parker, Loan Specialist  
 PO Box 1761  
 North Platte, NE 69103  
 Phone: 308.534.3508  
 beckyp@cfra.org

### Northeast Region:

Lori Schrader, Senior Loan Specialist  
 PO Box 332  
 Norfolk, NE 68702  
 Phone: 402.870.7070  
 loris@cfra.org

### Southeast Region:

Garrett Seagren, Lending Assistant  
 145 Main St., PO Box 136  
 Lyons, NE 68038  
 Phone: 402.580.1007  
 garretts@cfra.org

## Latino Loan Specialists (statewide availability)

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Luis Franco, Senior Loan Specialist

*Hablo español*

145 Main St., PO Box 136

Lyons, NE 68038

Phone: 402.380.3353

luisf@cfra.org

Griselda Rendon, Loan Specialist

*Habla español*

3180 W Hwy 34, Room 200

Grand Island, NE 68801

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## Business Development Specialist (statewide availability)

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Brissa Borjas Esparza

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3180 W Hwy 34, Room 200

Grand Island, NE 68801

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brissabe@cfra.org

## Questions and loan application process

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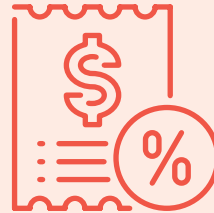
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..... 402.687.2100



..... [loans@cfra.org](mailto:loans@cfra.org)



Service Map



Join in the conversation. Our loan specialists are on Facebook.



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