

# VAFA & SDDA Financing Programs Overview

	<b>Beginning Farmer Bond</b>	<b>Beginning Farmer Down Payment Guaranty</b>	<b>Agribusiness Bond</b>	<b>Livestock Nutrient Mgmt Bond</b>	<b>Value-Added Agribusiness Relending Loan Program</b>	<b>VALU Livestock Guaranty</b>	<b>Livestock Loan Participation</b>	<b>Rural Development Ag Loan Participation</b>	<b>Bridge Loan</b>
<b>Age</b>	At least 18 years old. No upper age limit.	At least 18 years old. No upper age limit.	At least 18 years old. No upper age limit.	At least 18 years old. No upper age limit.	At least 18 years old. No upper age limit.	At least 18 years old. No upper age limit.	At least 18 years old. No upper age limit.	At least 18 years old. No upper age limit.	At least 18 years old. No upper age limit.
<b>Eligible projects</b>	Land, machinery, equipment, breeding livestock or farm improvements.	Ag Real Estate and participation in Beginning Farmer Bond	Business involved in processing an agricultural commodity; land, buildings, improvements, and facilities	Any costs incurred for property, or any portion thereof used for the collection, storage, treatment, utilization, processing or final disposal of livestock wastes (nutrients) up to the point where the nutrients have value.	Businesses involved in processing an agricultural commodity; land, buildings ( new, modernization, enlargement), equipment, start-up costs and working capital, feasibility studies, and debt refinancing.	Feeder Livestock	Livestock	Land, buildings and facilities; machinery and equipment. Value added ag production or processing ventures.	Real Estate Purchases and applicants already approved by USDA Farm Service Agency
<b>Maximum Amount of Loan/ Bond/ Guaranty</b>	\$533,500	20% of Beginning Farmer Bond amount / 5 years	\$10,000,000	No limit	\$250,000	\$100,000	\$200,000	\$500,000	\$300,000
<b>Land Ownership</b>	Can't own more than 30% of county's median farm size now or previously.	Can't own more than 30% of county's median farm size now or previously.	No restriction	No restriction	No restriction	No restriction	No restriction	No restriction	No restriction
<b>Income</b>	No restriction	No restriction	No restriction	No restriction	No restriction	Must have 60% of gross income from agriculture	Must have 60% of gross income from agriculture	Must have 60% of gross income from agriculture	No restriction
<b>Net Worth Requirement</b>	Under \$400,000	Under \$400,000	None	None	None	None	None	None	None
<b>Application Fee</b>	\$100	None	\$200	\$200	\$200	None	None	None	None
<b>Closing Fee</b>	1.5% of VAFA bond amount. (\$500 minimum)	None	Please contact the department for details.		1% of the loan amount	None	None	None	1% of the loan amount
<b>Application Deadline</b>	One week prior to VAFA meeting—the VAFA board usually meets the last Thursday of every month.	Anytime	One week prior to VAFA meeting—the VAFA board usually meets the last Thursday of every month		30 days prior to VAFA meeting	Anytime	Anytime	Anytime	Anytime

Agricultural Lenders are required to request mediation if a borrower has \$50,000 or more in debt before taking legal action. Voluntary mediation is available for all agricultural credit.

Confidential financial counseling is available to mediation clients. For more information, please contact the South Dakota Department of Agriculture at 605-773-5436