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NEW FARMERS

New and Beginning Farmer & Socially Disadvantaged Farmer Webinar

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How Do We Help?

- Beginning and Underserved/Socially Disadvantaged Farmers
- Direct Loans
- Microloans
- Guaranteed Loans
- Resources

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Definitions

Beginning Farmer

- Has not operated a farm for more than 10 years
- Must not own more than 30 percent of the average size farm

SDA/Underserved Farmer

- An individual or entity who is a member of a socially disadvantaged group

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Direct Farm Ownership Down Payment

- 5-45-50
- Interest Rate - 1.5%
- Term - 20 Years
- Use of Proceeds – Purchase of a farm by a Beginning or Underserved Farmer

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Direct Farm Ownership Participation

- Maximum Loan Amount - $600,000
- Interest Rate – 2.5%
- Term – Up to 40 Years
- Use of Proceeds – Purchase a Farm and Capital Improvements

Direct Operating Loan

- Maximum Loan Amount - $400,000
- Interest Rate – December Rate is 1.25%
- Term – From 1 to 7 Years
- Use of Proceeds – Chattel Purchases, Annual Farming Expenses and Refinance Farm Related Debt

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Microloans

Maximum Loan Amounts

- $50,000 operating
- $50,000 farm ownership

Microloans offer more flexible access to credit and serve as an attractive loan alternative for smaller farming operations, like specialty crop producers and operators of community supported agriculture (CSA). These smaller farms, including non-traditional farm operations, often face limited financing options.

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Guaranteed Loans

- Maximum Loan Amount - $1,776,000
- Interest Rate – Determined by Lender
- Term – From 1 to 7 Years for Operating Loans

  - Up to 40 Years for Farm Ownership Loans
- Use of Proceeds – Same as Direct OL and Same as Direct FO, and Refinance Debt

Resources

- Beginning Farmers and Ranchers Website
- Local USDA Service Center
- Farm Loan Discovery Tool
- New Farmers Website

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Beginning Farmers and Ranchers

- https://www.farmers.gov/manage/newfarmers
- USDA Programs and Services
- Available Resources
  - USDA New Farmers webpage and Discovery Tool
  - FSA Beginning Farmers and Ranchers Loans webpage
  - NRCS Historically Underserved Producers webpage
  - RMA Beginning Farmers and Ranchers webpage

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Find Your Local Service Center

USDA Service Centers are locations where you can connect with Farm Service Agency, Natural Resources Conservation Service, or Rural Development employees for your business needs. Enter your state and county below to find your local service center and agency offices. If this locator does not work in your browser, please visit offices.usda.gov.

Visit the Risk Management Agency website to find a regional or compliance office or to find an insurance agent near you.

State

- Please select -

County

- Please select -

GO

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Farm Loan Discovery Tool

- https://www.farmers.gov/fund/farm-loan-discovery-tool

Answer a few short questions to learn about USDA farm loans that might be right for you. USDA also offers other funding opportunities to help farmers, ranchers, and forest landowners finance their business. Explore the Fund page to learn about these programs.

1 **Are you looking for a farm loan?**

Farm Loans can be used to start, expand, sustain, or make changes to your farm.

Yes

No

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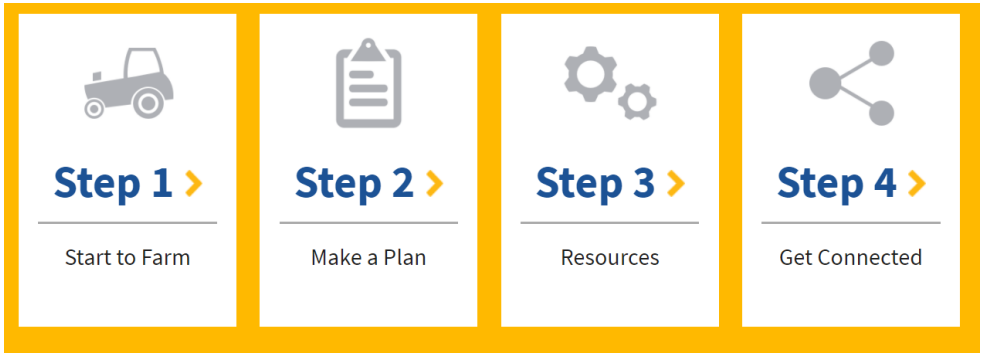
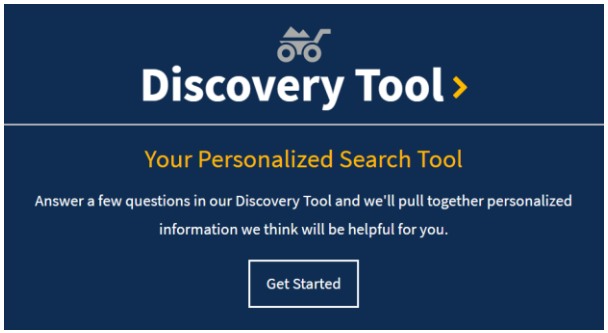
New Farmers-Start Farming

- https://www.farmers.gov/manage/newfarmers





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