



Farm Storage Facility Loans

OVERVIEW

Farm Storage Facility Loans (FSFL) provide low-interest financing for producers to build or upgrade farm storage and handling facilities to store eligible commodities they produce. The program is administered by the U.S. Department of Agriculture (USDA) Farm Service Agency (FSA).

A producer may borrow up to \$500,000 per loan, with a minimum down payment of 15 percent. Loan terms are up to 12 years, depending on the amount of the loan. Producers must demonstrate storage needs based on three years of production history. FSA also provides a microloan option that, while available to all eligible farmers and ranchers, also should be of particular interest to new or small producers where there is a need for financing options for loans up to \$50,000 at a lower down payment with reduced documentation.

Each applicant will be charged a nonrefundable \$100 application fee.

MICROLOANS

Producers who select the microloan option can borrow up to \$50,000, with the minimum down payment reduced to 5 percent and shorter loan terms. Producers can self-certify the storage needs of the eligible commodity and are not required to demonstrate storage needs based on production history.

Applicants for all loans will be charged a nonrefundable \$100 application fee.

ELIGIBLE COMMODITIES

The following commodities are eligible:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain;
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain;
- Other grains (triticale, speltz and buckwheat);
- Pulse crops (lentils, chickpeas and dry peas);
- Hay;
- Honey;
- Renewable biomass;
- Fruits (includes nuts) and vegetables - cold storage

- facilities;
- Floriculture;
- Hops;
- Maple sap;
- Milk;
- Cheese;
- Butter;
- Yogurt;
- Eggs;
- Meat/poultry (unprocessed);
- Rye; and
- Aquaculture (excluding systems that maintain live animals through uptake and discharge of water).

ENVIRONMENTAL EVALUATION REQUIREMENTS

These loans must be approved by the local FSA state or county committee **before** any site preparation and/or construction can be started.

All loan requests are subject to an environmental evaluation. Accepting delivery of equipment, starting any site preparation or construction before loan approval may impede the successful completion of an environmental evaluation and may adversely affect loan eligibility.

ELIGIBLE FACILITIES, EQUIPMENT AND UPGRADES

The following types of new/used facilities and upgrades are eligible and must have a useful life for at least the term of the loan:

- Conventional cribs or bins;
- Oxygen-limiting structures and remanufactured oxygen-limiting structures;
- Flat-type storage structures;
- Electrical equipment and handling equipment, excluding the installation of electrical service to the electrical meter;
- Safety equipment, such as interior and exterior ladders and lighting;
- Equipment to improve, maintain or monitor the quality of stored grain;
- Concrete foundations, aprons, pits and pads, including site preparation, off-farm labor and material, essential to the proper operation of the grain storage and handling equipment;

- Renovation of existing farm storage facilities, under certain circumstances, if the renovation is for maintaining or replacing items;
- Grain handling and grain drying equipment determined by the Commodity Credit Corporation to be needed and essential to the proper operation of a grain storage system (with or without a loan for the storage facility);
- Structures that are bunker-type, horizontal or open silo structures, with at least two concrete walls and a concrete floor;
- Structures suitable for storing hay built according to acceptable design guidelines;
- Structures suitable for storing renewable biomass;
- Bulk tanks for storing milk or maple sap;
- Cold storage buildings, including prefabricated buildings that are suitable for eligible commodities. Also may include cooling, circulating and monitoring equipment and electrical equipment, including labor and materials for installation of lights, motors and wiring integral to the proper operation of a cold storage facility; and
- Storage and handling trucks, including refrigerated trucks.

ELIGIBILITY REQUIREMENTS

An eligible borrower is any person who is a landowner, landlord, leaseholder, tenant or sharecropper. Eligible borrowers must be able to show repayment ability and meet other requirements to qualify for a loan. Contact an FSA office for more details.

WHERE TO FILE THE APPLICATION

Loan applications should be filed in the administrative FSA county office that maintains the farm’s records.

FOR MORE INFORMATION

This fact sheet is provided for informational purposes; other eligibility requirements or restrictions may apply. For more information about Farm Storage Facility Loans, visit www.fsa.usda.gov/pricesupport or contact your local FSA office. To find your local FSA office, visit <http://offices.usda.gov>.

Other examples of equipment include but are not limited to the following:		
<ul style="list-style-type: none"> • baggers • boxers • brush polishers • bulk bin tipplers • case palletizers • cement flooring • circulation fans • cold dip tanks • conveyors • drying tunnels • dumpers 	<ul style="list-style-type: none"> • electrical equipment • food safety-related equipment • hoppers • hydrocoolers • hydrolifts • ice machines • quality graders • refrigeration units or systems • roller creepfeeders • roller spray units 	<ul style="list-style-type: none"> • safety equipment meeting Occupational Safety and Health Administration requirements • sealants • sizers • sorting bins and/or tables • storage and handling trucks • washers • waxers • weight graders

Notes:

- Eligible storage structures and handling equipment, having a useful life for the entire term of the loan, may be permanently affixed or portable.
- Facilities built for commercial purposes and not for the sole use of the borrower(s) are not eligible for financing.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA’s TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- 1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410;
- 2) fax: (202) 690-7442; or
- 3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.