



AGRICULTURAL PRODUCTION DISASTER ASSISTANCE LOAN GUARANTEE PROGRAM (DISASTER)

What is the purpose of this guarantee?

- Purchase services or consumable goods (inputs) necessary for producing an agricultural commodity or extraordinary costs related to any act of nature
 - Costs must be related to acts of nature where the Governor has issued a declaration of disaster

What is required in order to be eligible?

- Farmer is unable to obtain conventional financing at reasonable terms
- Farmer's debt-to-asset ratio on the project is at least 40%
- Projected Cash Flow shows the likelihood of repayment
- Farmer has available collateral to secure the loan
- Farm is located in and farmer resides in Wisconsin (or is legally registered in Wisconsin if partnership or corporation)
- Farmer is actively engaged in the operation
- Farmer is current in child support payments and not in default on any WHEDA loans

What are eligible uses of loan proceeds?

- Fertilizer
- Seed
- Fuel
- Land rent
- Animal feed
- Water delivery in connection with commodities adversely impacted by the disaster
- Feed animals purchased and sold within the term of the loan
- Utility bills pertaining solely to the production of the agricultural commodity
- Labor costs directly related to planting and harvesting the agricultural commodity (excluding those labor costs paid to the Farmer and spouse)
- Hedging
- UCC filing charges
- Equipment rental
- Tillage service
- Custom hire
- CROP insurance
- Equipment repair
- Pesticides/herbicides

What are the terms and conditions of this guarantee?

- No Maximum loan amount
- Maximum guarantee:
 - 90% up to a maximum guarantee of \$25,000
- Maximum interest rate is WSJ Prime + 2% on day of loan closing (ceiling of 7%), fixed for loan term
- Maturity date is no later than three years from the date of the Note

How does the application process work?

- Lender and borrower complete the DISASTER Loan Application (Form 2)
- Submit complete application within 30 days of loan closing
- WHEDA reviews the complete application and renders a decision within five business days

What fees are associated with this program?

- Non-refundable application fee:
 - 1% of guarantee amount (with \$150 minimum and \$250 maximum)

Who should I contact for more information?

Please contact a representative from the Commercial Lending department should you have further questions, or visit our website, www.wheda.com for this and other program details

