

USDA farm storage loans are available

Written by Gothenburg Times
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Farm storage facility loans (FSFL) are available through Farm Service Agency, according to Nebraska FSA state executive director Dan Steinkruger.

The Farm Service Agency offers low-interest loans to grain producers to build new or upgrade existing storage facilities and permanent drying and handling equipment. Loan opportunities include, but are not limited to:

New conventional-type cribs or bins, oxygen-limiting and other upright silo-type structures, and flat-type storage structures designed for whole grain storage,

Perforated floors, safety equipment, quality improvement equipment, electrical equipment and concrete components considered essential for a fully functional storage facility,

Remodeling existing storage facilities to increase storage capacity.

Farm storage facility loans are also available to fruit and vegetable producers for new cold storage facilities; and to hay and biomass producers for new storage structures.

Farm storage facility loans must be approved prior to site preparation, equipment purchase or construction, and must be secured by a promissory note and security agreement. The new maximum principal loan amount is \$500,000.

Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment.

Additional security is required for poured-cement open-bunker silos, renewable biomass facilities, cold storage facilities, hay barns and for all loans exceeding \$50,000.

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New loan terms of seven, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Contact your local FSA office for more information on farm storage facility loans or visit the web at www.fsa.usda.gov/ne.