



A HEAD START FOR STRONG FINANCES

Overview

“Start Strong” is a supplemental underwriting program developed to provide young, beginning and small (YBS) borrowers funding in one or more of the following categories:

- Operations that market, or plan to market, their agricultural products directly to consumers or through local/regional food systems
- Beginning operations with less than 10 years of experience which market, or plan to market, their agricultural products through both traditional and non-traditional methods
- Young borrowers that are less than 35 years of age
- Small operations with less than \$250,000 annual gross farming income which market, or plan to market, their agricultural products through both traditional and non-traditional methods, and who are young or beginning
- Military veterans¹ who are entering into the agricultural industry with limited financial resources

In addition to receiving financing, “Start Strong” borrowers may have access to other managerial and educational programs including financial and business planning training. The “Start Strong” program will benefit those applicants who exhibit high character, excellent work ethic, a promising business plan, and past work/industry experience.

Program Scope and Limitations

The program will be utilized to provide underwriting outside of our normal underwriting process to those loans and individuals that are just beginning to enter an agricultural operation and are small. Further, the borrower’s specific situation must contain two of the three components of YBS, one of which must be Y or B.

The maximum loan amount eligible under the program is \$100,000

Eligible Transactions and Documentation Needed

In order to be eligible, a loan request must not qualify under ‘traditional’ underwriting for financing from the Association as set forth in the Association Credit Manual, and must have been denied by our normal underwriting process. The initial denial by our normal underwriting process results in the “Start Strong” program being a counteroffer of credit to the applicant. Loan requests should be underwritten using ‘traditional’ underwriting procedures prior to proceeding with the “Start Strong” underwriting process. Applicants must meet the scope and eligibility requirements as defined in the Association Credit Manual.

The documentation that should be considered for loans originated under this program are as follows:

- Loan Application
- Balance Sheet and Income Statement
- E-sign Consent (participation optional)
- Authorization to Release Credit
- Business Plan (including projections)
- Copy of Driver’s License
- Entity Documents (when applicable)
- IRS Tax Return (most recent 2 years - if available due to age)
- W-2 (current year – if applicable) or Pay Stub (2 most recent – if applicable)
- Veterans only – DD-214 discharge papers or government issued Veteran ID card (Military Certification Form for Active Duty completed by Commanding Officer or Authorized Service Representative)



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¹Military veterans: Defined as a member of the US military currently serving on Active Duty or Active Duty Reserves or an individual who previously served in the military and received an Honorable Discharge.

This program is established under the general guidance of FCA Book letter 66 (Providing Credit to Farmers and Ranchers Operating in Local/Regional Food Systems).