



GEORGIA MEAT AND POULTRY REVOLVING LOAN FUND GUIDECARD

CSRA Business Lending is a non-profit small business lending agency supported by the SBA, EDA, and USDA. Since our inception in 1979, we have funded over 925 loans totaling over \$325 million dollars. These projects have totaled just under \$800 million dollars and have created just over 9,000 jobs, working in conjunction with banks and community stakeholders throughout Georgia.

In September 2022, CSRA Business Lending with the assistance of the USDA Rural Business and Cooperative Service, established the Georgia Meat and Poultry Revolving Loan Fund to facilitate financing for the start-up, expansion, and operation of entities engaged in primary processing (slaughter) or further processing of meat and poultry. We are being supported in this effort by the Georgia Department of Agriculture and the Georgia Bankers Association Agriculture Committee. This program will help facilitate access to affordable capital to address the ongoing need for meat and poultry processing enterprises in Georgia's rural and urban communities. The purpose of the fund is to help create a more resilient, diverse, and secure U.S. food supply chain.

GEORGIA MEAT AND POULTRY RLF PROGRAM – Eligible area is the entire State of Georgia

Maximum Loan Amounts – Established by CSRA Board. No maximum loan amount exists, but we anticipate our loans being subordinate loans to bank and or other financing just as our existing programs operate now. We expect our loans to be no lower than \$50,000 and likely no higher than \$3,000,000. We anticipate project amounts much higher than that with our loan being a portion of the total financing package. CSRA can also consider loan participations in the program.

Terms / Rates / Fees – Established by CSRA Board, currently 5% fixed for up to 25 years with a 1% fee. Maturity depends on loan purpose and assets being financed. Usually a minimum 10% down or existing equity is required. In this program consideration may be given for equity pledged from other collateral or sources to cover the 10% down. Initial payment deferments will also be considered to assist during construction and start-up phase.

Purposes – Can be used for land, building, machinery and equipment, fixed assets, start up costs, working capital, and in some instances debt refinance. Applicants can be for profit, not for profits, cooperatives, and community organizations. To qualify for the Georgia Meat and Poultry RLF, the recipient must process or propose to process meat or poultry or be a business with existing or proposed contractual, lease, or service agreements with another entity or entities, including affiliated entities, which are engaged or proposing to engage in the processing of meat or poultry. Broiler houses are not eligible.

Project Examples:

- **Example 1:** Borrower needs \$8,000,000 for a new expanded updated larger facility. Borrower currently operates very small processing facility and owns that land, building and equipment valued at \$800,000. Borrowers bank is willing to fund \$4,000,000. New equipment costing \$1,500,000 is being financed by a local community revolving loan fund or by another state or federal funding source. Our Georgia Meat and Poultry RLF could consider financing the remaining \$1,700,000 needed for the facility in subordinate second mortgage at 5% fixed for 25 years. The value of the existing facility would count toward the borrowers 10% down payment.
- **Example 2:** Borrower has existing \$500,000 mortgage on establish successful farming operation and needs \$3,200,000 to add small processing facility as well as \$300,000 operating capital for the new facility. \$4,000,000 total financing need. Borrowers bank could fund \$2,000,000 needed to refinance existing mortgage and build new facility and provide operating capital. Our Georgia Meat and Poultry RLF could consider financing the remaining \$2,000,000 needed in subordinate second mortgage at a 5% fixed rate for 25 years.
- **Example 3:** Borrower needs \$4,000,000 to construct a new small start-up facility and \$300,000 for working capital and other expenses. Borrower owns the property and an existing building that will be modified into the processing valued at \$600,000. Bank is willing to finance \$2,000,000 in a first mortgage. CSRA through our existing SBA-504 program can finance 35% or \$1,400,000. Our Georgia Meat and Poultry RLF could consider financing the remaining \$300,000 for operating capital at a 5% fixed rate for 10 years.

FOR MORE INFORMATION CONTACT

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“CSRA Business Lending is an Equal Opportunity Credit Provider”