



SAFETY 21 LOAN PROGRAM FACT SHEET

Applicant: The applicant will be a farmer suffering a loss to their income as a result of Hurricane Michael.

Qualifications:

1. The applicant must be a person or persons of legal age and a permanent legal resident and citizen of Georgia.
2. Must be a person(s) who is the majority owner of a farm affected by Hurricane Michael and only one loan will be made per social security number per household.
3. The farm must have been established and in operation prior to October 7, 2018.
4. Estates and publicly held corporations **will not** be considered qualified applicants.
5. Loans will be limited to one loan per person.
6. Qualifications are subject to GDA Board approval.

Eligible Use of Funds:

1. Operating capital or replacement of income lost as a casualty of the hurricane.
2. Repair or replace damaged farm related structures including, but not limited to facilities that receive, store, process or package farm products for market.
3. Repair or replace damaged equipment.
4. Purchase machinery and equipment to be used for the purpose of clearing, replanting, transplanting or other purposes made necessary in order to recover from the hurricane damage.

Note: *Repair of a personal residence is not an eligible use of funds.*

Loan Amount, Interest Rate & Term:

1. **Loan Amount Limit:** The maximum loan amount under the SAFETY 21 Loan Program is **\$400,000.00** per borrower.
2. **Interest Rate:** The interest rate charged will be 1% for the first two years of the loan and will increase every second year by 100 basis points.
3. **Term:** The term of the loan will be **7** years, but the repayment will be amortized over a 40 year term.

Credit Guidelines:

1. Minimum credit score of 600.
2. Applicant must provide verified evidence of economic loss incurred from Hurricane Michael. Evidence of loss can be sourced from their crop insurance agent, Extension Service, FSA or Loan Specialist.
3. Primary Operating Credit Supplier must agree to continue providing credit for the 2019 crop year which is the calendar year.
4. Farm real estate must be pledged for collateral.

Fees: A Loan Closing fee of ½% of the loan amount will be charged. Borrower will be responsible for providing and attorney and paying closing costs.

This Fact Sheet is subject to change. Please contact GDA regarding current status of the program.

Applications are available at www.gdaonline.com

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