

# ***Chequamegon Food Cooperative Farmer Micro-Loan Program***

## **OVERVIEW**

The Chequamegon Food Cooperative Micro-Loan Program is a revolving loan program for agricultural producers and processors. The goal is to support and grow the regional farming and food processing economy and increase the amount of locally and sustainably produced products available for sale. The Cooperative intends to fund this program with funds generated through its CHIPping your change program and other internal funds. **Proposals for the spring cycle are due by March 1 with funding decisions made by March 15. Proposals for the fall cycle are due by September 1 with funding decisions made by September 15.** Loan amounts will be between \$500 and \$5,000.

## **PROGRAM DETAILS**

- Funds may be used for purchase of machinery, construction, farm supplies (plant materials, animals, feed, etc.) or other resources necessary for increasing farm productivity.
- **Funding of a loan does not guarantee or imply that the Cooperative will purchase or sell the product(s).**
- Producers may carry more than one loan if they are in good standing on their payment plans.
- Projects will be judged on their impact on the agricultural economy of the Chequamegon Bay Area.

## **LOAN RANKING CRITERIA**

All producers and processors are encouraged to apply. Loan applications will be judged with the following criteria:

- Impact of the proposed project/use on the agricultural economy of the Chequamegon Bay Area
- Feasibility and strength of business plan
- Feasibility and strength of re-payment plan
- Level of sustainability

## **EVALUATION COMMITTEE**

The evaluation of applications will be made by the General Manager based on the Loan Ranking Criteria listed above.

## **TERMS OF LOAN**

Upon the selection of projects, all loans will be subject to the following terms and conditions:

- All loans will be subject to a 2% closing cost, due upon loan closing.
- Loans will have a three month re-payment grace period after closing.
- Each applicant will suggest a re-payment plan in the application package with the following minimum conditions:
  - Each re-payment plan must have minimum monthly payments that are agreed upon by borrower and the Cooperative.
  - All loans of \$2500 or less will have a maximum of a two year repayment, with no penalty for early repayment. All loans of \$2501 to \$5000 will have a maximum of a three year repayment, with no penalty for early repayment.

**Application for Chequamegon Food Cooperative Farmer Micro-Loan**

*Attach additional sheets as necessary.*

Name:

Phone Number:

Address:

Loan Amount Requested:

Product(s) to be sold as a result of this loan:

Intended Market and Method of Sale of Finished Product(s):

*(For example, Farmer's Market, Farm Stand, CSA, Wholesale)*

Use of Funds: (Attach a business plan and/or describe the way in which the loan will be used and how the loan will be re-paid.)

Describe the impact of the proposed project on your business and the local agricultural economy:

Proposed Re-payment Plan:

Send or deliver completed applications to:  
Chequamegon Food Cooperative  
Micro-Loan Program  
700 Main St. W.  
Ashland, WI 54806