



## What is FarmLaunch?

FarmLaunch is a start-up loan program designed to increase the availability of credit, educational resources, and mentoring to agricultural producers whose access to traditional financing options may be limited.

With an overarching goal of helping these borrowers develop sound business practices, FarmLaunch has the following core components:

**INVEST** – providing financing for working capital

**EDUCATE** – providing access to educational tools and resources

**MENTOR** – providing an FCV advisor/ mentor

### Loan Amounts, Term, and Fees:

- Amounts up to \$50,000 at a rate of LIBOR + 4.00
- Purpose is for working capital/operating expenses; land purchases are not eligible
- Terms up to 5 years with monthly payments typical
- Purchase of Farm Credit of the Virginias stock (2% or up to \$1,000)

### Items needed for COMPLETE FarmLaunch Loan Application:

- |  |    |  |
|--|----|--|
| <input type="checkbox"/> Farm Credit of the Virginias Credit Application |    |  |
| <input type="checkbox"/> Formal Business Plan including:                 | OR | <input type="checkbox"/> FarmLaunch Loan Application Supplement including: |
| <input type="checkbox"/> Income and Expense Projections                  |    | <input type="checkbox"/> Business Plan                                     |
|  |    | <input type="checkbox"/> Income and Expense Projections                    |
| <br>   |    |  |
| <input type="checkbox"/> FarmLaunch Personal Reference Release Form      |    |  |
| <input type="checkbox"/> Authorization and Release for Photography       |    |  |
| <input type="checkbox"/> Copy of Driver's License                        |    |  |
| <input type="checkbox"/> Entity Documents (when applicable)              |    |  |
| <input type="checkbox"/> IRS Tax Returns (most recent 2 years)           |    |  |
| <input type="checkbox"/> W-2 (current year – if applicable)              | OR | <input type="checkbox"/> Pay Stub (2 most recent – if applicable)          |
| Veterans only -  |    |  |
| <input type="checkbox"/> DD-214 discharge papers                         | OR | <input type="checkbox"/> FCV Military Certification Form (if Active Duty)  |
| or government issued Veteran ID card                                     |    |  |

Once your completed application has been received, your loan officer will determine your eligibility for the FarmLaunch program. Your loan officer will then present your application to the FarmLaunch Governing Committee for final approval.



Visit the Farm Credit Knowledge Center for more information: <http://www.farmcreditknowledgecenter.com/>



**Farm Credit of the Virginias, ACA**  
106 Sangers Lane, Staunton, VA 24401  
(540) 886-3435 | [www.farmcreditvirginias.com](http://www.farmcreditvirginias.com)



## FarmLaunch Loan Application Supplement

### Program Eligibility:

The FarmLaunch Start-Up Loan Program is developed for the purpose of providing start-up funding to local, small, beginning farmers who fit within 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 5 years of experience which market, or plan to market, their agricultural products through traditional methods;
- Small operations with less than \$250,000 annual gross farming income which market, or plan to market, their agricultural products through traditional methods;
- Military veterans<sup>1</sup> who are entering into the agricultural industry with limited financial resources;

### Scoring Criteria:

The FarmLaunch program considers the following criteria. A minimum score of 60 out of 100/105 points is required to be recommended to the FarmLaunch Governing Committee for final loan approval.

<b>Credit History</b>	Up to 25 points
Based on Credit Bureau Investigation Score: Strong = greater than or equal to 730; Adequate = greater than or equal to 710; Marginal = greater than or equal to 680; Weak = less than 680 or Bankruptcy/Foreclosure last 5 years	
<b>Industry Experience</b>	Up to 25 points
Based on industry specific education or related experience, extent of industry knowledge and trends, participation in growing/selling of ag products (as employee or owner), and quality of past income/expense records or projections	
<b>Business Plan</b>	Up to 25 points
Based on the soundness of your Business Plan including financial plan, marketing plan, management plan, considerations for industry economics, and short-term and long-term goals	
<b>Character/References</b>	Up to 25 points
Average score of your 3 Personal References (up to 25 pts each) and Leadership and Community Involvement (up to 25 pts – this should be included in your Business Plan)	
<b>Additional Points for:</b>	<b>Veteran Status (5 pts)</b>

Note: Meeting minimum scoring criteria does not guarantee final loan approval by the FarmLaunch Governing Committee

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



## FarmLaunch Loan Application Supplement

A business plan is a formal statement of a set of business goals, the reasons they are believed attainable, and the plan for reaching those goals. Include with your application a separate attachment that addresses **ALL** questions listed below. This will serve as your business plan.

**Applicant Name(s):** \_\_\_\_\_ **Date:** \_\_\_\_\_

### **BUSINESS PLAN**

#### **Business Description:**

What product(s)/service(s) do you intend to market?

What stage of development is your business in (start-up, growth, mature)?

What is the history of your business (if already established)?

Why are you pursuing this business venture?

#### **Experience:**

What is your educational background?

What is your agricultural background or experience?

What specific experience do you have with the product or service that you are offering?

List your community/civic/agricultural involvement, including any leadership roles.

#### **Market Analysis:**

Provide details on how you plan to market your product(s) and services(S) to include pricing, and where and how it will be sold.

What will be the competition for your product(s) and services(s)?

#### **Short Term Goals (within the next 1-2 years):**

What are your production goals, anticipated yields, etc?

What are your outside labor needs, along with cost and availability of such?

What are your short term financial objectives?

#### **Long Term Goals (within the next 5 years):**

What are your long term goals for the size and scope of the business?

What are your long-term financial objectives?

#### **Financial Support and Management:**

What amount of personal funds do you plan to invest in the business? What is the source of these funds?

How much time do you anticipate this business will take you to manage?

Will the operation be supported by off-farm income? If so, with whom and how much outside income do you anticipate?



## FarmLaunch Loan Application Supplement

A Profit and Loss (P&L) or income statement measures a company's sales and expenses over a specified period of time. You can use this guide to create a profit and loss statement for your business. If you require additional space or provide this information on your own form, please mark "see attached".

**Applicant Name(s):** \_\_\_\_\_ **Date:** \_\_\_\_\_

### INCOME AND EXPENSE PROJECTION

**Period Covering Dates:** \_\_\_\_\_ **to** \_\_\_\_\_  See attached

<b>INCOME</b>		<b>Total</b>	<b>EXPENDITURES</b>		<b>Total</b>
<b>Products Sold</b> <i>(describe yields, unit price, quantity sold, etc)</i>			Cost of items purchased for re-sale		
			Professional Services (Vet, Accountant, Etc.)		
			Irrigation		
			Feed		
			Fertilizer		
			Gas, Fuel, Oil		
			Insurance		
			Labor		
			Rent/Lease (Land, etc.)		
			Repairs		
			Seeds, Plants		
			Supplies		
			Utilities		
<b>GROSS FARM INCOME</b>			<b>GROSS FARM EXPENSE</b>		
			<b>NET FARM INCOME</b>		
			(Gross Income less Gross Expense)		

NON FARM INCOME			
Employer	Annual Income	Annual Living Expense	
		Estimated Income Taxes	
Non-Farm Business (describe)	Annual Income	Total Living + Taxes	



## FarmLaunch Loan Application Supplement

Personal References provide additional insight into your commitment to goals and character. Applicants are required to provide 3 Personal References, of which, at least 2 must be from non-family. References will be contacted to provide additional details pertaining to the applicant(s)' character, experience, and industry knowledge.

**Applicant Name(s):** \_\_\_\_\_ **Date:** \_\_\_\_\_

**(This form to be completed by the FarmLaunch applicant)**

### PERSONAL REFERENCE INFORMATION

**Reference 1 Name:** \_\_\_\_\_ Non-Family \_\_\_ Family \_\_\_

Relationship Description: \_\_\_\_\_ Length of Relationship: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact E-mail Address: \_\_\_\_\_

**Reference 2 Name:** \_\_\_\_\_ Non-Family \_\_\_ Family \_\_\_

Relationship Description: \_\_\_\_\_ Length of Relationship: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact E-mail Address: \_\_\_\_\_

**Reference 3 Name:** \_\_\_\_\_ Non-Family \_\_\_ Family \_\_\_

Relationship Description: \_\_\_\_\_ Length of Relationship: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact E-mail Address: \_\_\_\_\_

### AUTHORIZATION AND RELEASE TO CONTACT PERSONAL REFERENCES

The undersigned, \_\_\_\_\_, understand that the personal references provided above will be contacted for verification or to provide additional clarification for the purpose of my FarmLaunch application. I authorize that Farm Credit of the Virginias may contact these personal references on my behalf to gain additional information regarding my character, community involvement, agricultural industry/work experience, work ethic, commitment to goals, and industry knowledge or related experience.

\_\_\_\_\_  
Applicant Signature(s)

\_\_\_\_\_  
Date





FARM CREDIT

# Military Certification Form

Farm Credit of the Virginias, ACA | 106 Sangers Lane, Staunton, VA 24401 | (540) 886-3435

## Military Certification Form

This is to certify that I am currently in the US Military Service, serving in Active Duty.

Last	First	MI	SSN	Mil Exp Date
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Address	City	State	Zip
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Military Branch	Rank	Service #	Current Duty Assignment
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I certify that the above information is true and correct.

Signature	Date
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**This section to be completed by Commanding Officer or Authorized Service Representative:**

*Does this individual have any criminal actions or administrative separation pending?*    Yes    No

*The information stated above is the same as shown on the personnel records of the Military Personnel indicated above.*

Name, Rank, and Title of Commanding Officer or Authorized Service Representative (Typed or Printed)

Signature of Unit Commander or Authorized Service Representative	Date
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