Governor Andy Beshear's Office of Agricultural Policy

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Kentucky Agricultural Finance Corp. Approves More Than $1.7 Million
Loans across four programs were approved to support Kentucky agriculture

FRANKFORT, Ky. (Nov. 13, 2020) -The Kentucky Agricultural Finance Corp. (KAFC) approved $1,786,835 in 12 agricultural loans for projects in the commonwealth at its board meeting today.

"The loans approved by the KAFC board this month showcase the diversity and strength of our agricultural loan programs," said Gov. Andy Beshear. "These programs are working to empower and support infrastructure, processing, entrepreneurship and young farmers to help agriculture continue to meet the needs of the world."

Agricultural Infrastructure Loan Program (AILP)
One Agricultural Infrastructure loan was approved for $70,034 for recipients in Graves County to purchase and install a field drain tile. KAFC participates with lenders to provide financing to producers making capital expenditures for agricultural projects through the AILP. Eligible projects include permanent farm structures with attached equipment that improves the profitability of farming operations. Producers may be eligible for up to $150,000 not to exceed 50 percent of the project.

Agricultural Processing Loan Program (APLP)
Two Agricultural Processing Loans were approved for a total of $295,000 for recipients in Hardin ($135,000) and Monroe ($160,000). APLP is designed to provide loan opportunities to companies and individuals in Kentucky interested in adding value to Kentucky-grown agricultural commodities through further processing. Agricultural processors may qualify for financing for acquisition of equipment, construction of new facilities, renovation/expansion of existing facilities and permanent working capital up to 50% of the project cost.

Beginning Farmer Loan Program (BFLP)
Seven Beginning Farmer loans totaled $1,262,736 for recipients in Carlisle ($63,750), Green ($120,000), McLean ($250,000), Muhlenberg ($250,000), Nelson ($78,986) and Shelby ($500,000) counties. BFLP is designed to assist individuals with some farming experience who desire to develop, expand or buy into a farming operation. Beginning farmers may qualify for

financing to purchase livestock, equipment or agriculture facilities; to secure permanent working capital; for the purchase of farm real estate; or to invest in a partnership or LLC.

Diversification through Entrepreneurship Loan Program (DEAL)
Two Diversification through Entrepreneurship Loans were approved for a total of $159,065 for recipients in Graves ($34,065) and Daviess ($125,000) counties. DEAL is designed to assist individuals who are attempting to diversify their farming operations through nontraditional agricultural production or services. Beginning agri-entrepreneurs may qualify for financing for equipment purchases, facilities, permanent working capital, real estate, investment into an existing agribusiness or other investments at the discretion of the KAFC board.

For more information on the programs offered by the KAFC, contact Ali Hulett, loan programs manager, at 502-782-1760 or visit the KAFC webpage at kafc.ky.gov.

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Read about other key updates, actions and information from Gov. Beshear and his administration at governor.ky.gov, kycovid19.ky.gov and the Governor's official social media accounts Facebook, Twitter and YouTube. Watch the Governor's social media accounts at 4 p.m. ET each day for his regular briefing.

The Kentucky Agricultural Finance Corporation (KAFC), chaired by Kentucky's Agriculture Commissioner Ryan Quarles, provides capital access for agricultural diversification and infrastructure projects. To date, KAFC has approved more than 1,300 projects and committed more than $140 million.

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