

Delaware Agricultural Financing Program (DAFP) Fact Sheet



PROGRAM PURPOSE

To increase the viability of Delaware's agricultural industry by broadening lending opportunities across the agricultural sector.

HOW THE PROGRAM WORKS

Equipment loans will be available for supporting activities including production, processing, packaging, aggregation, and distribution for both small and large-scale operations. The Delaware Economic Development Authority (DEDA), through the state Division of Small Business, will provide loans of \$25,000 to \$250,000 with a maximum loan amount of 50% of a project's total cost. Applicants must demonstrate eligibility from a private lender for the balance of project costs. Final loan closing will be contingent on approval of all participating lenders. All loans will have a term of up to seven (7) years, with interest-only payments due in the first year, followed by full amortization. DEDA's interest rate will be fixed at 3.35% for first-time farmers and aquaculture projects, and 4.25% for all other projects.

ELIGIBILITY

Delaware farmers, producers, and food processors actively engaged in crop, livestock, aquaculture, and/or food production in the State of Delaware. This can be evidenced by proof of farm or food business ownership or providing an IRS Schedule F tax form from the previous year. All work must be performed by experienced and qualified contractors licensed by the State of Delaware whose primary business location is in the State of Delaware. Project financing is limited to one project per business annually, defined as one calendar year from the time thereafter of the closing date of its most recent loan.

HOW TO APPLY

Those interested in applying should contact the Delaware Department of Agriculture at DAFP@delaware.gov to confirm their project qualifies for the program.

