MARBIDCO PROGRAM DESCRIPTIONS

The Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) is a quasi-governmental economic development financial intermediary organization established to promote the continued viability of Maryland's agriculture, forestry, and seafood industries. MARBIDCO helps agricultural and resource-based businesses innovate, diversify, and capitalize on emerging market opportunities in food and fiber production and processing. Assisting beginning and limited-resource farmers is also a key focus, as is facilitating the preservation of rural working land.

The blue-shaded programs will be of interest to small and/or urban farmers. The green-shaded program will be of interest to forestry and wood-products businesses.

PROGRAMS FOR ASSISTING WITH PURCHASING FARMS AND REAL ESTATE

PROGRAMS	DESCRIPTION	INTEREST RATE	MAXIMUM AMOUNT	MINIMUM AMOUNT
Maryland Resource-Based Financing Fund (MRBIFF)* ** *Direct and Participation Loan Options*	Low-interest loans are available to AG/RBI enterprises for land purchase, chicken houses, equipment/fixed assets, and large-scale processing projects. MARBIDCO can finance 20%-40% of the debt for direct loans and 30%-49% for participation loans (financing may be less in certain circumstances).	Direct loan- 4.75% for the first 3 years, 5.25% for the next 3 years and 5.75% for the remaining term of the loan. Participation loan - 4.25% and the primary lender may require a loan servicing fee of up to 0.75%.	Direct Loan: Real Estate/Poultry House Construction- $600,000, Equipment- $300,000 Participation Loan: Real Estate/ Poultry House Construction-$700,000, Equipment- $350,000 Both: Large Scale Processing Projects- $1,000,000	$50,000
Next Generation Farmland Acquisition Program (Next Gen)	Land preservation facilitation program for larger farm purchases (50 + acres). MARBIDCO provides up to 51% of the fair market value of the land as a down payment in exchange for the land being placed on the path to permanent preservation using an easement option purchase contract.	N/A	$500,000	N/A
Small Acreage Next Generation Farmland Acquisition Program (SANG)	Land preservation facilitation program for smaller farm purchases (10-49 acres). MARBIDCO provides a 30-60% down payment equal to the fair market value of the land in exchange for the land being placed in permanent preservation.	N/A	$6,000/Acre	N/A

PROGRAMS FOR COMMERCIAL WATERMEN, SHELLFISH AQUACULTURE, AND SEAFOOD

PROGRAMS	DESCRIPTION	INTEREST RATE	MAXIMUM AMOUNT	MINIMUM AMOUNT
Maryland Watermen's Microloan Program	Low-interest loans for "Generational Watermen" and "Beginner Watermen" to purchase commercial fishing boats, boat motors, and seafood harvesting gear. Seafood Processors who have held a Department of Natural Resources seafood processing license for at least 2 years may purchase seafood processing equipment only. Watermen must have a TFL from DNR or a commercial license from the Potomac River Fisheries Commission. See website for additional eligibility requirements. Partial loan forgiveness may be available.	3.00% with up to 6 months interest only.	Up to $20,000 for equipment, $30,000 for a workboat, and up to $40,000 for the purchase of both a workboat and equipment.	$7,000
Maryland Shellfish Aquaculture Financing Fund*	Low-interest loans are available to persons holding State submerged land or water column aquaculture leases (or who have applied for such leases). Funds can be used to purchase shell, seed, spat, or equipment. Partial loan forgiveness may be available.	3.00% interest-only payments for up to the first 3 years, 5.25% for the remaining term of the loan.	$100,000	$5,000
Maryland Remote Setting Shellfish Aquaculture Loan Fund*	Low-interest loans to persons holding a nursery permit through DNR to start or expand shellfish remote setting (nursery) aquaculture operations. Partial loan forgiveness may be available.	5.25% with up to 1 year interest only	$30,000	$5,000
Maryland Oyster Shucking House Loan Program*	Loans to finance the renovation, construction, or expansion of an oyster processing facility or to purchase oyster processing equipment. To be eligible, must have been a licensed seafood dealer for at least 3 years or have held a tidal fish license issued by DNR for at least 5 years and agree to obtain a seafood dealer license. Partial loan forgiveness may be available.	3.25%	$250,000 based on $25,000 for each full-time or each seasonal full-time job created or retained.	$10,000 to $25,000 (based on creating at least one full-time or seasonal full-time job)

For information on a program that funds blue catfish processing see "ADDITIONAL MARBIDCO LOAN PROGRAMS."

ADDITIONAL MARBIDCO LOAN PROGRAMS

PROGRAMS	DESCRIPTION	INTEREST RATE	MAXIMUM AMOUNT	MINIMUM AMOUNT
Maryland Large Animal Veterinarian Assistance Loan Program**	Low-interest loans to attract and retain large animal veterinarians licensed in Maryland as of January 2004. Funds can be used for trucks or other specialized equipment for large animal veterinary care.	4.00%	$100,000	$25,000
Agribusiness Equipment and Working Capital Loan Fund* **	Moderate-cost loans to AG/RBI enterprises (including farmers) for working capital and equipment.	4.75% with a public sector partner, 6.75% without	$100,000	$15,000
Maryland Livestock Processing Loan Program	Loans to expand livestock processing capacity (including blue catfish) of small and mid-sized USDA-inspected facilities. Loan proceeds can be used to purchase real estate, construct a new or expand an existing facility, and to purchase livestock processing equipment. MARBIDCO also offers a matching equity grant of 10% up to $250,000.	4.00%	$2.5 million	$250,000
Maryland Vineyard/Hops/Orchard Fruit Planting Loan Fund* **	Moderate-cost loans to finance the planting of fruit-bearing vines and trees or hops in order to increase the acreage of viable commercial vineyards, orchards, and hopyards in Maryland.	5.00% on P&I for 3 years, 6.25% for remaining term OR 6.25% for entire term with an interest only period	$100,000	$15,000
Forestry Equipment and Working Capital Loan Fund* **	Moderate-cost loans to Maryland's forest products businesses to finance equipment purchases and working capital to help them innovate and expand into emerging market opportunities. Terms: Equipment: 3 to 6 years. Operating: 1 to 2 years.	6.25%	$150,000	$15,000
Rural Business Energy Efficiency Improvement Loan Fund*	Low-interest loan for energy efficiency projects undertaken by food/fiber producers and processors to implement 3rd party energy auditor recommendations.	4.50%	$30,000	$5,000

**Eligible for Upper Shore Regional Council Funds on page 5.*

*** Eligible for Hometown Hero (U.S. Military Service members and Veterans) interest reduction of .25%.*

MARBIDCO GRANT INCENTIVE PROGRAMS*

PROGRAMS	DESCRIPTION	MAXIMUM AMOUNT	MINIMUM AMOUNT
Maryland Value-Added Producer Matching Grant (USDA Option)	Provides grants to encourage participation in USDA's Value-Added Producer Grant Program to fund the applicant's matching requirement for planning grants or working capital grants.	$25,000 for Working Capital Grants $11,250 for Planning Grants	N/A
Certified Local Farm and Fish Food Aggregation Grant Program	Provides 80% matching grants to support the development of local food aggregation infrastructure in Maryland to help meet wholesale and institutional market demand for locally produced food products, including blue catfish and other invasive species in the Chesapeake Bay. Projects must include at least 4 Certified Local Farms and Certified Chesapeake Invasive Species Providers.	$100,000 for the Small Scale Farmer Aggregation Grant (agricultural product aggregation and distribution entities and legally organized farm cooperatives), or $300,000 for the Large Scale Public Institution Aggregation Grant.	$25,000 for the Small Scale Farmer Aggregation Grant (agricultural product aggregation and distribution entities and legally organized farm cooperatives), or $100,000 for the Large Scale Public Institution Aggregation Grant.
Future Harvest Beginner Farmer Training Graduate Grant	Provides grants for Future Harvest CASA Beginner Farmer Training Level 2 and Level 3 graduates who are farming or will farm in Maryland. The funds can be used for purchasing planting materials, seeds, tools, livestock, and more.	$1,000	N/A
Maryland Urban Agriculture Commercial Lending Incentive Grant Program	Provides an incentive grant to encourage urban farmers to seek commercial lender financing to purchase equipment or real estate.	$35,000 for real estate $15,000 for equipment	$1,000
Maryland Livestock Processing Equipment Grant Program	Provides a 50% matching grant to expand livestock and blue catfish processing capacity. Grant funds can be used to purchase processing equipment and/or to upgrade facilities.	$50,000 for USDA inspected slaughter facilities $20,000 for other processing facilities	$5,000

**Please check the MARBIDCO website for open grants. www.marbidco.org*

LOCALLY AND REGIONALLY SPONSORED PROGRAMS

PROGRAMS	DESCRIPTION	MAXIMUM AMOUNT	MINIMUM
Southern Maryland Agricultural Revolving Loan Fund (Anne Arundel, Calvert, Charles, Prince George's, and St. Mary's Counties)	Loans to finance the purchase of livestock (and shellfish aquaculture), production of small fruits and hops, upgrades in conformance with Good Agricultural Practices (GAP), the Food Safety Modernization Act (FSMA), value-added production and equine. Some loan forgiveness is available. The interest rate is 4.50%	$20,000	$10,000
Local Government Agricultural & Resource-Based Industry Project Cost Share Program	Provides a cost-share grant to local or regional Economic Development Offices to incentivize their participation in funding AG/RBI projects.	$10,000 (up to $25,000 under a special circumstance) $5,000 for Food Safety Modernization Act (FSMA) $3,000 for deer fences, farm operation solar systems or generators	N/A
Upper Shore Regional Council Farm Incentive Fund	Provides a 5% matching equity grant incentive to meet certain down-payment (equity) objectives for MARBIDCO-related loans. Available in Cecil, Kent, and Queen Anne's counties (with support from the Upper Shore Regional Council).	Up to $15,000 for the MRBIFF program, up to $5,000 for other MARBIDCO loan programs that are identified with an asterisk (*)	N/A

In delivering our financing programs, we work cooperatively with commercial banks, Farm Credit Associations, the USDA Farm Service Agency (FSA), and other federal, State, and local government agencies and universities. Please contact us to find out which programs may be right for your business.

For more information and loan/grant applications, call us today or visit our website, www.marbidco.org.

Maryland Agricultural and Resource-Based Industry Development Corporation

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Financing Maryland's Food and Fiber Future

MARBIDCO