



Why Microloans?

Wisconsin Farm Service Agency

Is a Microloan right for me?

The Farm Service Agency (FSA) developed the Microloan (ML) program to better serve the unique financial operating needs of beginning, niche and the smallest of family farm operations by modifying its Operating Loan (OL) application, eligibility and security requirements. The program will offer more flexible access to credit and will serve as an attractive loan alternative for smaller farming operations like specialty crop producers and operators of community supported agriculture (CSA). These smaller farms, including non-traditional farm operations, often face limited financing options. Below is a side by side comparison of FSA's traditional operating loan program and the new Microloan program.



Differences between Regular Operating Loans (OL) and Microloans

Regular OL	Microloan
Standard application form	Microloan application form
All debt verifications and Credit Bureau Report	Credit Bureau Report only
\$300,000 max	\$35,000 max
Standard farm assessment & credit presentation	Abbreviated credit presentation
Full balance sheet	Simplified balance sheet
Detailed income & expense sheet	Cash flow budget-summary only
Verification of employment	Verify income only if needed for repayment
Three years of production records	Past yield only if available & practicable
Standard policy on loan security	Other options available for loan security
Lien on personal residence/non-essential assets if necessary	No lien on residence or non-essential assets
One full year experience and managerial ability	Having a mentor or other experience allowed

More Information and Eligibility Criteria

Additional information on the FSA microloan program may be obtained at local FSA offices or through the FSA website at www.fsa.usda.gov.



A small farm operation selling at a farmers market qualifies for microloans!



Even though I sell my produce in shares (CSA) and do not have individual yields, I still qualify for microloans!



There is a lot less paper-work with a microloan.



For more information, visit www.fsa.usda.gov or contact your local USDA Service Center.

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