

APPENDIX 1-22

FINANCING

Farmers generally invest a large amount of savings or borrowed money in their business. It is important to examine the pros and cons of different types of financing and obtain adequate and appropriate levels of capital to start and sustain the farm business.

The different sources of financing discussed in chapter 4, “Manage It,” are listed in the following table.

If you are farming now: In chart below, indicate if you currently use each source of financing, how much debt you currently hold in that category, and when you hope to pay off that debt. Also indicate if you want to pursue that source of financing in the future.

If you are not yet farming: In the chart below, indicate if you want to pursue that source of financing and estimate how much financing you will seek.

SOURCE OF FINANCING	CURRENT DEBT AND EXPECTED PAYOFF DATE	PLAN TO PURSUE THIS SOURCE OF FINANCING IN FUTURE AND HOW MUCH
Self-financing		
Family/friends		
Commercial bank loans		
Government loans		
Economic development agency or SBA loan		
Government grant or subsidy		
Individual development account		
Business funding		
Credit card		