

Agribusiness Enterprise Loan Program (ABE)

The Agribusiness Enterprise Loan Program (ABE), administered by Mississippi Development Authority (MDA), is a loan program designed to encourage the extension of conventional financing and the issuance of letters of credit, by private lending institutions to agribusiness enterprises in the State of MS. MDA, through the Agribusiness Enterprise Loan Program, provides interest-free loans to qualified agribusiness borrowers engaged in the production, manufacturing, and processing of agribusiness related goods and services.

Eligible Agribusinesses Include:

- Aquaculture
- Horticulture
- Agriculture related industrial, manufacturing, research and development, or processing of agribusiness related goods and services.

Eligible Projects

- Financing of buildings and equipment
- Costs associated with the purchase of land (appraisals, title searches, etc.).
- Proceeds cannot be used to purchase land. Nor can they be used to pay off existing debt or to provide working capital.
- All loans must be 100% guaranteed to MDA by the participating financial institution lender.
- A 1% service fee is required by MDA on the interest free portion of the loan.
- Funding from loans is derived from issuance of general obligation bonds.

| | |
|----------------|--|
| Terms: | Equal to term set by financial institution, up to 15 years. |
| Amount: | Maximum loan amount: 20% of the total project cost or \$200,000 whichever is less. Excluding purchase of land. |
| Rate: | 0% on ABE portion of loan. |

How To Apply For Program

Eligible agribusinesses should contact a financial lending institution to originate the ABE loan application for this program or contact MDA for more information.

Statute

The Agribusiness Enterprise Loan Program (ABE) is authorized under Section 69-2-13, MS Code, Annotated.