

# Frequently Asked Questions

**Q1. Is there a cut off time to submit my application?**

No – however, loans will not be offered beyond the allocated funding.

**Q2. What is the interest rate and can my interest rate change?**

The interest rate will be 50% of the NSW Treasury Bond Rate as at 1 July of the financial year that the application is approved (currently 2.5%). The interest rate is fixed from the date of approval and will remain the same for the life of the loan.

**Q3. Am I able to complete the work prior to applying?**

No – applications must be lodged prior to commencement of the work.

**Q4. Can I send in an application whilst waiting on information from my bank?**

Yes – although your loan will not be assessed until your application is complete.

**Q5. Can primary producers that have been in operation less than three years, and therefore cannot provide the required three years of financial information, still apply?**

Yes you can apply if you are classified as a "new entrant", meaning that you have been operating your farm business for between 12 months to three years and more than 50% of your gross income will be derived from the farm business within three years of the date of the application. The applications of new entrants will be considered on a case by case basis.

**Q6. Does a mortgage get taken over my property?**

No – a Statutory Charge and registered caveat will be placed over the property where the works are to be carried out. Additional or alternate property may be considered. Your bank will need to sign and stamp the Lenders consent form to support your application.

As part of the assessment process, the authority will obtain title searches to confirm ownership of the land offered as security. The cost of the searches is charged to the applicant whether or not they take up the loan.

**Q7. Are lease-holders eligible for Farm Innovation Fund loans?**

Farm Innovation Fund loans are ordinarily available for primary producers who own and operate the business, and own or are in the process of purchasing, the land upon which the farming occurs and upon which improvements are proposed. However, a Farm Innovation Fund loan will be considered for lease-holders where they:

- have been leasing on that land for more than 3 years,
- have written approval from the land-owner for the proposed works,
- can provide adequate security and demonstrate ability to repay the loan.

**Q8. How do I access the funds once approved?**

You will need to sign and submit an 'Authority to Pay' form along with your Tax Invoices to the RAA. Payment will be processed to your nominated bank account. The Authority will NOT pay to the supplier directly.