

Existing Loan Products

In addition to the following financial institutions' loan products; there are also other programs and debt products specific to cattle producers:

Advance Payment Program

Offered by participating producer organization

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan Amount	Notes
Agriculture Canada - Advance Payment Program	Calf Crop, Hogs and variety of crops	A production cycle (Due end of Sept) Max 18 months	First \$100,000 interest free. Remainder at Prime + 3	When Commodities sold	Maximum of \$400,000	- Must Participate in AgriStability to be eligible for the program. - May need a priority agreement signed by the bank - For cattle advance, will advance different amounts depending on the weight of calves at sale time. Advance amounts of: 400 - 700 lbs - \$250 700 – 1249 lbs - \$385 1250 lbs+ - \$550

<http://www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1178036035451&lang=eng>

Breeder Co-op loans

Offered by Breeder Co-ops and private companies

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan Amount	Notes
Breeder Co-op Loans	Cows and Bred Heifers	-5 year contract - Finance up to 85%	Varies	When calves are sold.	Max \$150,000, with possible increases with approval	- All animals must be branded - Mandatory insurance required - Legal cap remains at \$1,200 for bred heifers and \$1,100 for youthful cows - Can finance own cows, just need a certified brand inspection

The following summary of loan products for each institution is a summary of their agriculture specific loan products. This information was found on their company website. For more details on an institution's loan products, see the accompanying link under each summary table.

Loan Product Summaries

Royal Bank

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan Amount	Notes
RoyFarm Multiple Mortgage Loan Option	Can finance: land, equipment, buildings, quota, debt restructuring, amortization of purchases over useful life.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annually, annually	customizable	- Eligible land, assets, debt restructure must be designated agricultural. - Application fees may apply.
Term Operating Loan	Ideal for funding long-term assets for business growth (new/used capital assets, dent restructure.	customizable	Variable and fixed rates available.	Monthly Payment required	-Fixed rate = \$25,000 minimum -Variable rate = \$5,000 minimum	- Fixed Rate loan = eligible for 10% prepayment privilege at no charge. - Variable Rate loan = can be converted to fixed rate if interest rates rise. - Make up to 10% prepayments without penalty.
Farm Improvement and Marketing Co-operatives Loans Act (FIMCLA)	Government program to finance farm improvements, fund processing, distribution and marketing of farm products.	15 years for land, 10 years for other purchases	- Prime+1% max on variable - Residential Mortgage Rate+1% max on fixed	Flexible (monthly, quarterly, etc.)	-Up to 80% of asset cost up to \$250,000 for individual farmers. -Farm owned co-op up to \$3million.	- Must be farming a farming activity on a full/part time basis. - Not a start-up loan. - Government registration fee. - asset trade-ins can be used for 20% down payment.
Power to Operate (PTO) Fixed Rate Term Loan	For purchase of new or used farm equipment, breeding stock.	1 to 5 years	Fixed.	Weekly to annually	Up to \$1,000,000	- Make up to 10% prepayments without penalty. - Life insurance coverage available.
Royal Business Operating Line	Helps to supplement day-to-day cash flow needs.	unlimited		Monthly	\$5,000 minimum	- Monthly account fee of \$15.
Visa Creditline for Small Business	Help pay for purchases and manage expenses.	unlimited	Prime + 1% to 6%.	Monthly	Up to \$50,000	- Monthly account fee of \$15. - redit card benefit options available.

http://www.rbcroyalbank.com/RBC:SU@8R471JscAOLCOzPI/agriculture/finance_options.html

TD Bank

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan amount	Notes
Long Term Farm Loan (Farm Mortgage Loan)	Medium to long term loans to finance capital assest of improve economic viability of an existing operation. - farm land, equipment, buildings, quota, capital restructuring.	customizable	-Variable and fixed rates available compounded semi-annually. -6 months to 5 years. 10 year term available upon request but restrictions may apply.	Monthly, quarterly, semi-annually, annually.	\$25,000 and up	-10% prepayment permitted on fixed rate loans. -Amortization periods up to 25 years available for land purchases and 15 years for equipment.
Agriculture Operating Line	Allows producers to borrow money when they need it at competitive interest rates. Can be used to finance farm purchases and to deal with seasonal fluctuation in cash flow.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annually, annually.	\$10,000 and up	-Security will vary depending on loan amount and risk level. -Pay interest only on borrowed amount.
Interest Only Term Loan	Finance equipment with interest only loan. Producer can make interest only payments for up to 12 months.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annually, annually.	\$10,000 to \$500,000	Loan amortized over the estimated useful life of equipment up to 10 years.

Farm Improvement Loan	Federal government guaranteed loan program for farm real estate, livestock, equipment and building purchase, crop storage and debt consolidation.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annually, annually.	-80% of purchase price can be financed. -Max \$250,000 per individual farmer or \$3,000,000 per farm cooperative.	Asset financed used as security.
Rural Property Mortgage	Designed for individuals wishing to purchase and/or improve primary residence greater than 5 acres on agriculture zoned land.	6 months to 5 years.	-Variable and fixed rates available compounded semi-annually on fixed rate. -6 months to 5 years.	Bi-weekly and monthly	\$75,000 and up	-Available to customers whose main income is off-farm. -10% prepayment permitted on fixe rate loans. - Amortization periods up to 25 years available
US Dollar Agriculture Operating Line	Allows producers to borrow money when they need it at competitive interest rates. Can be used to finance farm purchases and to deal with seasonal fluctuation in cash flow in Us currency.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annually, annually.	\$10,000 and up	Can be used with TD Farm Foreign Exchange Services which helps mitigate currency risk when buying/selling in US dollars.
Dairy Term Loan	Allows dairy producers to finance expansion or acquisition of farmland, buildings, acquire quota or restructure debt.	Up to 15 years.	Variable and fixed rates offered in 6 month to 5 years terms.	Monthly, quarterly, semi-annually, annually.	\$25,000 and up	10% prepayment is permitted annually on fixed rate loans.

<http://www.tdcanadatrust.com/agriculture/index.jsp> (emailed Troy to confirm use of this link, Feb. 3, 2009)

CIBC

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan amount	Notes
CIBC Farm Operating Loan	Help to cover day to day farm expenses including, cattle, seed, fertilizer and feed purchases, machinery and building repairs, rent etc.	customizable	Variable and fixed rates available.	customizable	customizable	
Farm Term Loan	Helps to grow farm business allowing for the purchase of equipment, machinery, farm building improvements, quotas and farm debt restructuring.	Maximum 10 years.	-Variable or fixed rate. - Can fix rates for 1 to 5 years during term.	-Monthly, quarterly, semi-annually or annually. -Can be suited to match farm cash flows.	customizable	-Variable Interest Rate Option: Pre-payments can be made at any time without penalty. -Fixed Interest Rate Option: Repayment can be arranged as 'principal plus interest' or 'blended principal and interest'. -Unless blended, interest payments will be paid monthly.
Farm Mortgage Loan	Helps to purchase land and buildings, complete building renovations and restructure farm loans.	Up to 20 years	-Variable or fixed rate. -Fixed rate option from 1 to 10 years. -Calculated semi-annually.	Monthly, quarterly, semi-annually or annually.	Minimum \$25,000	-Prepay option allowed at any time on a variable rate. -Prepay of up to 10% of the original principal amount on a fixed rate loan on any anniversary date. -Variable Interest Rate Option: Pre-payments can be made at any time without penalty. -Fixed Interest Rate Option: Repayment can be arranged as 'principal plus interest' or 'blended principal and interest'. -Unless blended, interest payments will be paid monthly.
CIBC Farm Improvement Loan	Can be used to finance farm equipment and building installation or improvements, purchase additional farmland, breeding stock, etc.	Maximum 15 years for farmland purchase and 10 years for other purchases or	Variable and fixed rates available.	customizable	Maximum \$250,000	-Provided under federal governments Farm Improvement and Marketing Cooperatives Loans Act -Variable Interest Rate Option: Pre-payments can be made at any time without penalty. -Fixed Interest Rate Option: Repayment can be arranged as 'principal plus interest' or 'blended

		improvements.				principal and interest'. -Unless blended, interest payments will be paid monthly.
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<http://www.cibc.com/ca/small-business/agriculture-services/farm-loan.html>

ATB Financial

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan amount	Notes
Short and Medium Term Loans	To assist operation with purchases: breeding stock, machinery and equipment, farmland, storage facilities.	Life of the asset up to 10 years	Variable and fixed rates available.	Monthly, quarterly, semi-annually or annually.	customizable	Available prepayment options.
Long Term Loans	Eligible for building construction or improvement, farmland and other long term capital asset purchase.	Life of the asset up to 25 years	- Variable or Fixed. - Rate can be fixed up to 10 years.	Monthly, quarterly, semi-annually or annually.	customizable	Available prepayment options.
Revolving Operating Loan	For any day-to-day purchases up to a preapproved maximum amount.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annually or annually.	customizable	
Specific Operating Loan	Designated for purchase of a specific inventory.	1 year	Variable and fixed rates available.	Monthly, quarterly, semi-annually or annually.	customizable	
Cost Cutter Crop Input Loan	To purchases crop inputs and repay loan when income from crops are realized.	Up to 18 months	-Variable or Fixed. - Based on 1 year term with payments stretched to 18 months.	Monthly, quarterly, semi-annually or annually.	customizable	
Government Guaranteed Loans	Can be used to finance farm equipment and building installation or improvements, purchase additional farmland, breeding stock, etc.	Amortization can be extended up to 15 years.	Variable and fixed rates available.	Monthly, quarterly, semi-annually or annually.	customizable	Financing under the Alberta Farm Development Loan (ADFL) program.

Equity Agri-Plan Loan	Flexible line of credit for day-to-day purchases and capital asset purchases.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annually or annually.	Preapproval up to \$1 million	
4-H Loan Program	Support for 4-H members by assisting with purchases of marketable livestock.	customizable	Rates as low as prime.	Monthly, quarterly, semi-annually - ann.	Up to \$5,000	Co-signature of guardian or parent required. No fees.

http://www.atb.com/Dev/agriindustry/agri_index.asp

Scotia Bank

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan amount	Notes
Scotia Flex for Agriculture	The Scotia Flex for Agriculture banking program allows a producer to customize farm credit needs with multiple credit products under one global credit limit.	customizable	Variable and fixed rates available.	customizable	Up to 80% if current market value of real estate.	Umbrella program that molds all available Scotiabank loan products below into one package with the potential to save money each year.
Scotia Farm Term Loan	Purchase of new and used assets including breeding stock, machinery and equipment, building repairs and renovations.	customizable	Variable and fixed rates available.	customizable	customizable	Flexible repayment terms to accommodate or improve cash flow.
Scotia Farm Mortgage Loan	Owning farm land can be a big step towards financial security and prosperity. A mortgage loan provides flexible long-term financing for full and part-time farmers to buy farmland, make major capital improvements, or to restructure existing loans.	customizable	Variable or fixed. Can fix rates at any time.	Payment terms can match seasonal cash flow.	customizable	Prepayment privileges and options.
Scotia Farm Operating and Credit Line	Gives resources to meet operating credit needs.	customizable	Variable and fixed rates available.	customizable	Limits based on security provided and operating requirements.	
Farm Improvement Loan	Flexible term financing for machinery, equipment, buildings, land.	customizable	Variable and fixed rates available.	Payment terms can match seasonal cash flow.	customizable	No pre-payment penalties in variable rate loans.
Scotia Farm Legacy	Targeted for farmers	customizable	Variable and	customizable	customizable	- Pre-payment privilege up to 15% of original

Mortgage	transferring farm operation to next generation.		fixed rates available.			balance. - Minimum 10% down payment. - Interest only payments permitted up to 5 years.
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http://www.scotiabank.com/cda/content/0,1608,CID8181_LIDen,00.html

Bank of Montreal

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan amount	Notes
Farm Mortgage	For farmland purchase or improving existing operations, reorganizing debt.	Up to 25 years	Variable and fixed rates available.	Monthly, quarterly, semi-annually or annually.	customizable	Pre-payment option up to 10%.
Farm Improvement and Marketing Co-operatives Loans Act (FIMCLA)	Farming assets that qualify under this government program include implements, buildings, additional land, breeding livestock, repairs to buildings and equipment, land improvements, and debt consolidation.	15 years for land, 10 years for other purchases.	Variable and fixed rates available.	Generally made monthly but can be extended to yearly.	customizable	Government administration fees.
Farm Equipment Line of Credit	Pre-approved line of credit separate from general operating line.	customizable	Variable and fixed rates available.	customizable	customizable	

http://www4.bmo.com/business/0,4344,35490_36079,00.html?WT.ac=1088_LP1e_FB

AFSC

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan amount	Notes
Alberta Farm Loan Program	Primary agriculture producers can use the loan to purchase equipment, land, machinery, breeding livestock, production quota, and shares in a farming company. Permanent improvements to land, complete repairs, and renovate or construct buildings, including livestock facilities, barns, and housing. Loans can also be used to assist with financial restructuring and restoring working capital.	Maximum 20 years.	Variable and fixed rates available.	customizable	Up to \$2 million	<ul style="list-style-type: none"> -Loans can be paid out at any time without penalty. -Beginning Farmer Incentive (BFI): Interest rate reduction of 1.5% for the first 5 years. - Qualifying individuals are those with a net worth under \$500,000.
Alberta Disaster Assistance Loan Program	Helps Alberta producers restore the working capital needed to maintain their farming operations after an agricultural disaster. Short-term emergency response that covers all segments of the agriculture industry.	customizable	Fixed at 5% for up to 10 years.	customizable	Up to \$1 million	<ul style="list-style-type: none"> -Eligible in situations where: <ul style="list-style-type: none"> -Crop yields are less than 70% of normal, - Severe loss of revenues occur beyond normal commodity cycles, and -A net margin decline beyond 30% of established reference margin determined by Agristability -Loans can be paid out at any time without penalty

Value Added & Agribusiness Program (VAAP)	Loan can be used to start, expand, purchase, or upgrade facilities, equipment, or other capital assets. Covers working capital expenditures, including training costs to support new or expanded operations or products for value added or agribusiness enterprises and change of ownership.	Maximum 20 years.	Variable and fixed rates available.	customizable	Up to \$2 million	<p>*Value Added – Defined as an activity that changes, alters or modifies a product that adds value to the product through a business or manufacturing process. Enterprises that are retail or service industries are not considered Value Added.</p> <p>**Agribusiness – Defined as an enterprise involved in an Agricultural Industry.</p>
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<http://www.afsc.ca/>

Farm Credit Canada

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan amount	Notes
1-2-3 Grow Loan	A producer can make interest only payments to manage your cash flow until a return on investment is realized.	Interest only up to 5 years.	Variable and fixed rates available.	Monthly, quarterly, semi-annual, annual.	customizable	Secured with real or personal property.
Accelerator Loan	For producers looking sell and established producers looking to expand.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annual, annual.	customizable	<ul style="list-style-type: none"> - Secured with real or personal property. - Buyer may not need capital for down payment. - No risk to seller as FCC guarantees loan.
Advancer Loan	A pre-approved, secured loan that continually re-advances funds as an operation grows. Can be used to purchase land, buildings, livestock and other personal property.	customizable	Open variable rate.	Monthly, quarterly, semi-annual, annual.	customizable	<ul style="list-style-type: none"> - Principal payments made at producer discretion. - Secured with real property mortgage. - Ability available to convert entire loan balance, to a term loan with a fixed repayment schedule.
AdvancerPlus Loan	A pre-approved revolving loan that provides money for working capital.	customizable	Open variable rate.	Monthly, quarterly, semi-annual, annual.	customizable	<ul style="list-style-type: none"> - Interest only payments - Secured by real estate, quota or a General Security Agreement
Capacity Builder Loan	A pre-approved loan that is available for up to 18 months. Producer can take out funds whenever they are needed in time period.	customizable	Variable rate.	Monthly, quarterly, semi-annual, annual.	customizable	<ul style="list-style-type: none"> - Secured with real or personal property.

Cash Flow Optimizer Loan	A producer can make interest only payments and pay down principal at most convenient time. Can be used to purchase land, buildings, livestock or other personal property.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annual, annual.	customizable	- Only interest payments are required for life of loan.
Personal Property Loan	Uses the purchase (equipment, livestock, quota) as security for the loan.	Up to 10 years.	Variable and fixed rates available.	Monthly, quarterly, semi-annual, annual.	customizable	- Variable: prepay any amount at any time, lock in rate at any time. - Fixed: get best fixed rate and reduce loan risk.
Construction Loan	Provides financing for construction projects that will be complete within 18 months.	customizable	Variable rates.	Monthly, quarterly, semi-annual, annual.	customizable	- Principal payments required once construction complete. - Loan can be converted to an FCC fixed rate product at the end of construction.
Enviro-Loan	Pre-approved credit for financing any environment-related project or upgrade such as methane digesters, manure storage handling facilities or develop buffer zones between crops and waterways.	customizable	Variable rates.	Monthly, quarterly, semi-annual, annual.	customizable	- Principal payments required once construction complete. - Loan can be converted to an FCC fixed rate product at the end of construction. - Secured with real or personal property.
First Step Loan	For young farmers with limited credit experience. With a business plan, young producer can purchase first farm asset.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annual, annual.	Up to \$75,000	- Secured with real or personal property being purchased. - Down payment as low as 10%.
Mortgage Loans	Can be used to purchase land or construct additional buildings.	customizable	Variable (Open/Closed) Fixed (Open/Closed)	Monthly, quarterly, semi-annual, annual.	customizable	- Up to 10% prepayment privilege depending on rate plan chosen. - Can register a mortgage amount greater than purchase needs.
Flexi-Loan	Allows producer to deal with market realities and pause principal portion of payments.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annual, annual.	customizable	- Each principal pause can last up to 12 months. - A minimum of one year principal payments must be made before first pause. - Secured with real or personal property.
Payday Loan	Can use employment income history and good credit history to get a low down payment and fast approval.	customizable	Variable and fixed rates available.	Monthly payments that match off-farm earnings.	customizable	- Down payment as low as 10%. - Secured with real or personal property.
Performer Loan	A loan that rewards performance and goal achievement by lowering interest rates.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annual, annual.	customizable	- Secured with real or personal property. - Goals based on specific business requirements.

Spring Break Loan	Designed for forestry operations who reduce harvest operations during spring road bans. Used to finance forestry equipment.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annual, annual.	customizable	- Can borrow against value of equipment. - Payment schedule designed around harvest season, 8 to 10 months a year.
Start Now – Pay Later Loan	Defer loan payments until return on investment realized. Can be used for new business ventures or expansions.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annual, annual.	customizable	- Maximum deferral up to 3 years after disbursement followed by 2 years of interest only payments. - Secured with real property.
Transition Loans	Helps buyer and seller of farm or agribusiness in transitioning from one owner to the next.	customizable	Variable and fixed rates available.	Monthly, quarterly, semi-annual, annual.	customizable	- Secured with real or personal property. - Buyer requires 10% down for purchase. - FCC guarantees 100% of funds to seller.

[http:// www.fcc-fac.ca/en/index.asp](http://www.fcc-fac.ca/en/index.asp)

Laurentian Bank of Canada

Loan Product	Description/ Eligible for:	Term	Interest Rate	Payment Frequency	Available Loan amount	Notes
Farm Improvement and Marketing Co-operatives Loans Act (FIMCLA)	Farming assets that qualify under this government program include implements, buildings, additional land, breeding livestock, repairs to buildings and equipment, land improvements, and debt consolidation.	15 years for land, 10 years for other purchases.	Variable and fixed rates available.	Generally made monthly but can be extended to yearly.	Max \$250,000	Government administration fees.
Financier agricole du Quebec (FADQ)	Acquisition of expansion projects	Max of 30 years	Variable	Varies	Max \$5 Million	For business in which farmers hold at least 60% interest
Term Loan	Expansion projects, equipment or refinance existing debt	Generally 1 – 5 years Max 7 years, but must not exceed useful life of the asset	Fixed or variable rates	Generally monthly, which may include principle and interest separately or both	Customizable	

https://www.banquelaurentienne.ca/en/entreprises/agricoles/agri_financing.html

