



Agricultural Marketing Loan Fund

The Agricultural Marketing Loan Fund program provides financing to help Maine farms and agricultural businesses enhance and improve their products. Funds can be used for enhanced production processes, innovative marketing techniques, or product improvements.

The Agricultural Marketing Loan Fund program provides low-cost financing to help farmers, food processors and aquaculture operators adopt new and innovative equipment and facilities in order to improve and enhance the manufacturing, marketability and production of Maine products. For example, funds may be used for the design, construction or improvement of commodity and storage buildings and packing and marketing facilities; or for the construction, renovation or acquisition of land, buildings, equipment, docks, wharves, piers, or vessels, located in the state of Maine and used in connection with an agricultural enterprise.

Funding

The Agricultural Marketing Loan Fund program was developed by the Maine Department of Agriculture, Conservation and Forestry and is administered by FAME.

Eligibility

Generally, any business engaged in growing or harvesting plants; raising animals; growing, obtaining or adding value to plant or animal by-products; aquaculture; or producing, processing, storing, packaging or marketing a product derived from such a business. Outside construction lending sources may be required for projects seeking to use the Agricultural Marketing Loan Fund for agriculture-related construction take-out financing.

Loan Amount/Exposure

- Up to 90% of total project cost, if eligible project cost is \$100,000 or less.*
- Up to 75% of total project cost, if eligible project cost is over \$100,000.*
- Up to 45% of total project cost, if eligible project is related to the production of potatoes.*
- Maximum loan amount is \$250,000; loans for land acquisition cost of start-up enterprises are limited to \$100,000.

**Borrower is responsible for identifying and injecting private funds in an amount equal to the difference between the loan amount and the total project costs.*

Interest Rate

5% fixed for the term of the loan or 2% if borrower has been awarded Maine Farms for the Future Grant.

Loan Term

Up to 30 years and determined by the useful life of the asset(s) being financed.

Security

Asset(s) being financed and other collateral, as required or available.

Guarantees of business principals owning 20% or more of the business, or 5% or more and receiving significant income from the business.

Fees

Loan origination fee: 1% (for loans over \$100,000)

Borrower is responsible for all loan closing costs.

Application Process

The first step in the application process is an eligibility determination. Submit an Eligibility Form to the Maine Department of Agriculture, Conservation and Forestry (DACF). If the project is deemed eligible, DACF will notify the applicant(s) and will forward the Eligibility Form to FAME. The applicant(s) must then complete and submit the required program application documents (listed below) to FAME.

Eligibility Documents

- Eligibility Form: Agricultural Marketing Loan Fund

Eligibility Contact

Maine Department of Agriculture, Conservation and Forestry
Agricultural Resource Development Division
207-287-3491
DACF@maine.gov

Program Application Documents

- Application: Agricultural Marketing Loan Fund
- Personal Financial Statement

Program Contact

FAME
207-623-3263 or 1-800-228-3734
Business@FAMEmaine.com

All documents are available for download in PDF format from FAMEmaine.com. Downloaded documents should be viewed with Adobe Acrobat.