



Ag Invest

Waylon Lee · Wellington, IL

All photos displayed are 2022 Cream of the Crop Photo Contest 1st place winners

The Ag Invest program makes loans more affordable for farmers and agricultural professionals to plant and harvest crops, explore opportunities in agribusiness and rebound from difficult economic times.

After a participating lender approves your loan or line of credit, the Ag Invest program works with your lender to reduce your interest rate, lowering the overall cost to enhance your farm or alternative agricultural business.

I need access to capital for operating expenses.

You may qualify for the Ag Invest Agriculture Operating Line of Credit Loan program, for either a 1-year or 2-year term loan, not to exceed \$600,000. The borrower is allowed only one operating line of credit loan at any given time.

I need access to capital for long-term operating expenses.

You may qualify for the Long-Term Ag loan, multiple loans per calendar year up to \$800,000 per borrower. Qualified expenses include machinery, construction/renovation, transportation, technology, processing, milling, livestock, specialty crops and land acquisition up to \$600,000. Value Added Ag projects may include, milling, grain processing, Ag truck farming, tile business, store front, and transition costs. The loan term is 3 years with a possible 2 year extension for expenses up to \$800,000. Other terms are available for expenses greater than \$800,000. Value Added Ag may extend out a total of 9 years.



Michael W. Frerichs
ILLINOIS STATE TREASURER

**For further information or assistance,
please contact the Illinois State Treasurer's
Office by phone: (866) 458-7327 or email:
aginvest@illinoistreasurer.gov**



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Frequently Asked Questions

The Ag Invest program offers affordable financing to Illinois farmers and agriculture professionals through two options: **Ag Invest Agriculture Operating Line of Credit** and **Long-Term Ag & Value Added Ag**.

How does the program work?

For each approved project, the treasurer's office deposits funds at a discounted rate into an eligible financial institution thereby lowering the interest rate. This enables borrowers to secure below-market rates for either 1 year or up to possible 9 years of the loan.

What is Ag Invest Agriculture Operating Line of Credit program?

Ag Invest Agriculture Operating Line of Credit is either a 1 year or 2 year program that assists farmers with expenses associated with seed, fertilizer, salaries, fees, inventory, transportation cost, processing, milling, transitioning, crop insurance and other expenses.

How much can I borrow through the Ag Invest Agriculture Operating Line of Credit program?

The borrower is allowed only one operating line of credit at any given time not to exceed \$600,000 per borrower.

What is Long-Term Ag?

Long-Term Ag/Value Added Ag is designed to help with capital expenditures such as machinery, construction/renovation, transportation, technology, processing, milling, livestock, specialty crops, land acquisition up to \$600,000, and other costs.

How do I apply?

1. Contact the treasurer's office for an overview and list of eligible lenders.
2. Contact an eligible lender to start the application process.
3. Apply for an Ag Invest interest rate reduction with your eligible lender. Application is available online at illinoistreasurer.gov/investinillinois.
4. The treasurer's office deposits state funds at your lender. The lender then lowers your interest rate upon approval.

How much money can I borrow through Long-Term Ag?

The borrower is allowed multiple loans per calendar year up to \$800,000. Projects greater than \$800,000 are considered on a case-by-case basis.

When do I have to pay back a Long-Term Ag loan?

The initial rate is guaranteed for 3 years. If a compliance check is successfully passed at the end of 3 years, the loan may be extended for another 2 years. Other loan terms are available for expenses greater than \$800,000. Value Added projects can be extended to 3+3+3 for a total of 9 years.

The maximum interest rate on the loan may not exceed the treasurer's deposit rate by more than 3.75 percent during the term of the treasurer's participation. Current deposit rates are available at illinoistreasurer.gov.

Does the program guarantee the loan?

The program does not provide a guarantee or any type of credit enhancement to the borrower, nor does it have any impact on the financial institution's normal credit requirements.

Which lenders are eligible to participate? What if my financial institution is unfamiliar with the program?

More than 400 financial institutions are eligible to participate in the Treasurer's Invest in Illinois programs. Contact the treasurer's office for a complete list. If your financial institution does not participate or has questions about the program, please refer its loan officer to the treasurer's office.



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