This publication contains information on sources of financing for agricultural producers in Alaska. It describes lending programs and their purpose, borrower eligibility requirements, loan types, loan terms and contact information. To learn how a program might fit the needs of an individual enterprise, readers should speak with a loan officer.

Loan programs change, so this information will become out-of-date with the passage of time. For current information, prospective borrowers should use the contact information for each program or request assistance from their local Cooperative Extension Service office.

We offer this bulletin as an introduction to the credit options available to Alaskans. Borrowing can determine the success or failure of a business enterprise. We hope that this information will help Alaskans make choices that will maximize their chances for success.

**Agricultural Loans**

- Agricultural Revolving Loan Fund (ARLF)
- Alaska Rural Rehabilitation Corporation (ARRC)
- Northwest Farm Credit Services (Northwest FCS)
- Farm Service Agency (FSA)
- Alaska Commercial Fishing and Agriculture Bank (CFAB)
- Related Organizations and Additional Resources for Alaska Agriculture and Rural Development

While each of these programs provides agriculture loans, they are different in the types and purposes for which they lend. An understanding of each program is essential to avoid wasted time and effort.

The following summary provides a better understanding of each loan program. Contact your local banker for additional sources of financing for farms in Alaska.
**Agricultural Revolving Loan Fund (ARLF)**

The purpose of the ARLF is to promote the development of agriculture as an industry throughout Alaska by means of moderate interest rate loans. Loan applications must be submitted on ARLF forms. After ARLF staff evaluation, they are submitted to the Board of Agriculture and Conservation for consideration at the next scheduled meeting.

**Eligibility**
Applicants must provide a description of their business and agricultural experience. Loans may be made to individual Alaskans, partnerships, joint ventures, corporations or other business entities. Proof of current Alaska residency must be provided.

**Conditions**
Loan funds may only be used for agricultural production or processing operations in Alaska.

**Collateral**
Loans must be secured by collateral acceptable to ARLF and may not exceed 75 percent of appraised collateral value. Collateral may include land, improvements, machinery, equipment, crops or livestock.

### Payment Terms
Loan terms will be based on a borrower’s ability to service the loan. Payments may be monthly, quarterly, semi-annual or annual.

### Interest Rates & Fees
Fixed interest rates are comparable to rates charged by other Alaska agricultural lenders and established by the Board of Agriculture and Conservation. A $50 non-refundable application fee is required.

### Contact
State of Alaska  
Division of Agriculture  
Agricultural Revolving Loan Fund  
1800 Glenn Hwy., Suite 12  
Palmer, AK 99645-6736  
Phone: 907-745-7200  
Fax: 907-745-7242  
Website: [dnr.alaska.gov/ag/ag_arlf.htm](http://dnr.alaska.gov/ag/ag_arlf.htm)

### ARLF Loan Types

<table>
<thead>
<tr>
<th>ARLF Loan Types</th>
<th>Purpose</th>
<th>Maximum Loan</th>
<th>Maximum Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm Development (nonresidential)</td>
<td>purchase/construct land and buildings</td>
<td>$1,000,000</td>
<td>30 years — 4.50%</td>
</tr>
<tr>
<td>Chattel</td>
<td>purchase equipment or livestock</td>
<td>$1,000,000</td>
<td>7 years — 4.00%</td>
</tr>
<tr>
<td>Short-term</td>
<td>operating expenses</td>
<td>$200,000</td>
<td>1 year — 3.00%</td>
</tr>
<tr>
<td>Irrigation</td>
<td>equipment purchase and installation</td>
<td>$1,000,000</td>
<td>30 years — 4.50%</td>
</tr>
<tr>
<td>Product Processing</td>
<td>build and equip processing facilities</td>
<td>$250,000</td>
<td>30 years — 4.50%</td>
</tr>
<tr>
<td>Clearing</td>
<td>land clearing</td>
<td>$250,000</td>
<td>20 years — 4.50%</td>
</tr>
</tbody>
</table>

Total outstanding balances of ARLF loans for a borrower may not exceed $1,000,000.
Alaska Rural Rehabilitation Corporation (ARRC)

ARRC is a nonprofit corporation dedicated to the permanent development of Alaska agriculture. It was originally created to support the Matanuska Valley colonization project in 1935. It now provides financing for Alaskan agricultural producers.

Eligibility
Applicants must provide evidence of business experience and Alaska residency. Loans may be to individuals, partnerships, joint ventures, corporations or other business entities.

Conditions
Loan funds may only be used for agricultural purposes in Alaska.

Collateral
In Alaska, loans must be secured by collateral acceptable to ARRC and may not exceed 70 percent of appraised collateral value. Collateral may include equipment, machinery, land, improvements, boats, motor homes and vehicles, but not crops or animals.

Payment Terms
Payment terms will be based on a borrower's ability to service the loan and may be monthly, quarterly, semi-annual, annual or variable.

<table>
<thead>
<tr>
<th>ARRC LOAN TYPES</th>
<th>PURPOSE</th>
<th>MAXIMUM LOAN</th>
<th>MAXIMUM TERM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chattel</td>
<td>purchases of new and used farm equipment</td>
<td>none</td>
<td>7 years — 5–9%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>purchases of land, buildings and equipment</td>
<td>none</td>
<td>20 year — 5–9%</td>
</tr>
<tr>
<td>Future Farmers</td>
<td>promote a working knowledge of agriculture 10–25 years of age</td>
<td>none</td>
<td>5 years — 5–9%</td>
</tr>
<tr>
<td>Line of Credit</td>
<td>any farming use</td>
<td>none</td>
<td>5 years — 5–9%</td>
</tr>
</tbody>
</table>

Interest Rates & Fees
Competitive fixed-interest rates are established by the board of directors. A $100 nonrefundable application fee that includes the cost of a credit report is required. Additional fees may be charged for preliminary title report ($250) UCC-1 fees ($20) and any other costs that are required to properly place ARRC in first lien position.

Contact
Alaska Rural Rehabilitation Corporation
248 E. Dahlia Ave.
Palmer, AK 99645

Phone: 907-745-3390
Fax: 907-746-3555
Email: arrc@mtaonline.net
Website: arrc.us/loans
Northwest Farm Credit Services (Northwest FCS)

Northwest Farm Credit Services (Northwest FCS) is a customer-owned financial cooperative providing nearly $12 billion in financing to farmers, ranchers, agribusinesses, commercial fishermen, timber producers and country home owners as well as farm-related businesses, agricultural cooperatives and rural utilities in Idaho, Montana, Oregon, Washington and Alaska. Its AgVision program provides financing for young, beginning or small producers through flexible underwriting standards and competitive interest rates.

Eligibility
Applicants may be part-time farmers, full-time farmers, young and beginning producers, commercial operations, and large, vertically integrated businesses.

Collateral
Loans are secured by collateral acceptable to Northwest FCS. Collateral may include land, improvements, equipment, machinery, commercial fishing vessels, crops, livestock, feed or inventory.

Payment Terms
Payment terms will be based on product type and may be monthly, quarterly, semi-annual, annual or variable.

<table>
<thead>
<tr>
<th>PRODUCT TYPES</th>
<th>PURPOSE</th>
<th>MAXIMUM LOAN</th>
<th>TERM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Loan or Line of Credit</td>
<td>operating expenses</td>
<td>none</td>
<td>1–3 years</td>
</tr>
<tr>
<td>Chattel</td>
<td>purchase of new or used farm machinery or equipment, livestock or other eligible items</td>
<td>none</td>
<td>1–10 years</td>
</tr>
<tr>
<td>Real Estate</td>
<td>purchase or refinance of land, home, buildings and equipment</td>
<td>none</td>
<td>5–25 years</td>
</tr>
<tr>
<td>JumpStart</td>
<td>start-up capital for equipment purchase, real estate down payment or operating expense</td>
<td>$100,000.00</td>
<td>5 years</td>
</tr>
<tr>
<td>RateWise</td>
<td>accumulate credits after attending management training experiences to reduce interest rates on new loans; free registration for everyone on the website</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Interest Rates & Fees
Northwest FCS offers a variety of interest rate and fee programs depending on the loan purpose, repayment terms, risk level and flexibility you need. Loan structures and repayment plans largely determine eligible rate programs.

Contact
Northwest FCS-AgVision
629 South Market Blvd.
P.O. Box 420
Chehalis, WA 98532-0420
Phone: 360-767-1100
Fax: 360-1105
Toll-Free: 800-642-9005
Website: [www.northwestfcs.com/products-and-services/real-estate-financing](http://www.northwestfcs.com/products-and-services/real-estate-financing)
Farm Service Agency (FSA)

The Farm Service Agency (FSA) is responsible for overseeing and implementing policies and procedures that regulate the delivery of federal farm programs.

Nonrecourse Marketing Assistance Loans: Nonrecourse marketing assistance loans allow a producer growing eligible crops to store production and use the loan proceeds to meet cash flow needs without selling the crop. Crop is used as collateral for the loan.

Farm Storage Facility Loans: Low interest financing to producers to build or upgrade farm storage and handling facilities for eligible commodities that include grains, hay, fruits and vegetables.

Farm Loan Program

Two types of financing are offered in this program: guaranteed loans and direct loans. FSA-guaranteed loans provide conventional lenders with up to a 95 percent guarantee of the principal amount of loans made to agricultural producers. Farmers interested in this program must first apply to a conventional lender, who then arranges for an FSA guarantee.

<table>
<thead>
<tr>
<th>FSA LOAN TYPES</th>
<th>PURPOSE</th>
<th>MAXIMUM LOAN</th>
<th>MAXIMUM TERM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Farm Ownership</td>
<td>purchase land, construct buildings/improvements, soil and water conservation</td>
<td>$300,000</td>
<td>40 years</td>
</tr>
<tr>
<td>Beginning Farmer Down Payment Farm Ownership</td>
<td>purchase a farm or ranch</td>
<td>$300,000</td>
<td>20 years</td>
</tr>
<tr>
<td>Direct Operating</td>
<td>purchase livestock, poultry, equipment, feed, seed, supplies; soil and water conservation; farm chemicals, insurance, refinancing</td>
<td>$300,000</td>
<td>1 to 7 years</td>
</tr>
<tr>
<td>Microloan</td>
<td>same as Direct Operating simplified application process</td>
<td>$50,000</td>
<td>1 to 7 years</td>
</tr>
<tr>
<td>Direct Emergency</td>
<td>same as Direct Farm Ownership with addition of refinance option</td>
<td>$1,355,000 adjusted annually for inflation</td>
<td>1 to 7 years</td>
</tr>
<tr>
<td>Guaranteed Operating</td>
<td>same as Direct Farm Operating with addition of refinance option</td>
<td>$1,355,000 adjusted annually for inflation</td>
<td>40 years</td>
</tr>
</tbody>
</table>

FSA also makes and services direct Farm Ownership (FO) and Operating Loans (OL) in addition to providing credit counseling and loan supervision.

Contact

USDA Farm Service Agency
www.fsa.usda.gov/FSA/stateoffapp?mystate=ak&area=home&subject=landing&topic=landing

Alaska State Office
800 West Evergreen Ave, Suite 216
Palmer, AK 99645
Phone: 907-761-7738

Southern Service Center
800 West Evergreen Ave, Suite 216
Palmer, AK 99645
Phone: 907-761-7754

Northern Service Center
P.O. Box 585
Delta Junction, AK 99737
907-895-4242
Alaska Commercial Fishing and Agriculture Bank (CFAB)

Alaska Commercial Fishing and Agriculture Bank (CFAB) is a private member-owned cooperative providing financing to Alaskans and Alaskan-owned businesses serving the commercial fishing, agriculture, timber, tourism and resource-based industries of Alaska. CFAB is an authorized lender for two important federal entities, the U.S. Export-Import Bank (EXIM) and the U.S. Department of Agriculture (USDA) Rural Development Business and Industry guaranteed loan program (See USDA Rural Development in this publication). CFAB is the only Alaska lender approved by EXIM bank.

Eligibility
Alaska resident.

Loan Amount
The loan amount is generally based on the projected needs, profitability and credit worthiness of the borrower.

Terms
The length of the loan may range from 1 to 20 years. Loans are structured to the specifics of the credit.

Interest Rates
Rates are variable and are determined by the collateral and the credit strength of the borrower. As a cooperative, CFAB returns a share of its profits to its borrowers through patronage and dividend payments.

Purpose
Any commercial purpose.

Contact
CFAB
P.O. Box 92070
Anchorage, AK 99509-2070
3040 Lakeshore Drive
Anchorage, AK 99517

Phone: 907-276-2007 or 800-544-2228 (outside Anchorage)
Fax: 907-279-7913
Email: cfabanch@gci.net
Website: www.cfabalaska.com
Additional Rural Assistance Organizations and Programs

Alaska Housing Finance Corporation (AHFC)
Alaska Housing Finance Corporation (AHFC) offers a variety of loan programs, including loans for single-family and multi-family housing and loan options and other programs for both urban and rural areas. Rural options include the (1) the Rural Non-Owner-Occupied Loan Program and (2) Rural Owner-Occupied Loan program. These programs offer terms that are intended to address the often unconventional needs of Alaskans living in small communities. The AHFC also provides information through its Research Information Library as well as publications about log building construction and an Alaskan Housing Manual. This program also oversees the comprehensive weatherization of homes in rural Alaska.

Contact
AHFC
P.O. Box 101020
Anchorage, AK 99510-1020
Phone: 907-338-6100 or 800-478-2432
Fax: 907-338-9218
Website: www.ahfc.us/buy/loan-programs/rural-programs

USDA Rural Development (USDA-RD)
The USDA-RD mission is to help rural Alaskans create, build and sustain ventures within communities and to see that all federal, state, nonprofit and private sector programs are accessible to residents of rural Alaska, regardless of the size of the community. Rural Development does this by helping rural individuals, communities and businesses obtain the financial and technical assistance needed to address their diverse and unique needs.

Rural Development operates federal loan and grant programs designed to strengthen rural Alaska businesses, finance new housing, improve existing rural housing, develop community facilities and stimulate rural employment. Direct and/or guaranteed loans are available for housing, water and waste, rural businesses, community facilities, electric power and telecommunications. Rural Development is an agency of the U.S. Department of Agriculture and provides rural utilities programs, rural housing programs and rural business cooperative programs. It also contains the Office of Community Development. USDA Rural Development is committed to the future of rural communities.

Contact
USDA Rural Development Alaska State Office
800 W. Evergreen, Suite 201
Palmer, AK 99645-6539
Phone: 907-761-7705
Fax: 907-761-7783
Website: www.rurdev.usda.gov/RD_loans.html

Alaska Economic Development Resource Guide
The Alaska Economic Development Resource Guide is designed to bring together in one place an inventory of programs and services that can provide economic development assistance to Alaska communities and businesses.

Federal and state agencies as well as national and Alaska private nonprofit agencies are represented. This directory primarily describes those programs that focus on the creation and support of new industries, businesses and long-term jobs. It is designed to help communities match their economic development strategy with existing program resources that could support that strategy.

Contact
Division of Community and Regional Affairs
Department of Commerce, Community and Economic Development
550 West 7th Ave., Suite 1770
Anchorage, Alaska 99501-3501
Phone: 907-269-4501
Fax: 907-465-4286
Website: commerce.alaska.gov/dnn/portals/4/pub/edrg2009.pdf

Resource Guide is available on CD as an adobe acrobat file. Please send request to the above address.
USDA Rural Information Center (RIC)
The Rural Information Center (RIC) provides information and referral services to local, tribal, state and federal government officials; community organizations; rural electric and telephone cooperatives; libraries; businesses; and citizens working to maintain the vitality of America’s rural areas.

The RIC website contains links to current and reliable information on a wide variety of rural resources and funding sources, including Rural Funding Sources and Federal Funding Sources for Rural Areas Database.

Contact
Rural Information Center
National Agriculture Library
10301 Baltimore Avenue, Room 132
Beltsville, MD 20705-2351
Phone: 800-633-7701
Fax: 301-504-5181
Website: www.nal.usda.gov/rural-development

www.uaf.edu/ces or 1-877-520-5211