

YOUR GUIDE TO POULTRY FINANCING



FARM CREDIT POULTRY GUIDE

Whether you're brand new to poultry farming or already have your boots on the ground, Farm Credit is a dependable resource for you and your operation.

We understand the hard work you put into your poultry operation, which is why we offer customized financing packages just right for your unique business. Farm Credit offers flexible rates and terms, a funds held account to store money from your integrator payments, a patronage program to return our profits to our borrowers, and close ties with the poultry and agriculture industries.

Farm Credit is a financial cooperative, which means while traditional banks return their profits to their investors, we share our profits with our borrowing customers through our patronage program. We have returned millions of dollars in patronage to customers in your local area.

Taking advantage of this cooperative way of doing business, plus working with a local lender who understands the needs of the poultry industry, can be nothing less than a win-win situation. If you are interested in working with Farm Credit on your poultry project or any other needs, we encourage you to contact us to discuss our loan options and available resources. Please give us a call at 888.339.3334 to arrange an appointment at a time and location convenient for you. In the meantime, if you'd like to learn more about Farm Credit, please visit HorizonFC.com.

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THE BENEFITS OF FARM CREDIT

Customer Service Commitment

Personal Service From Your Ag Relationship Manager

- Meetings at your convenience to discuss and review financial results and business needs
- A commitment to respond to phone calls within eight business hours
- Business conducted at a location convenient to you – whether it's virtual, in our office, or on your farm!
- A Funds Held Account for our poultry growers to park excess funds from your flocks that earn interest and can pay expenses as needed

Easy Access To Your Account Information

- Dedicated Customer Care Team available to answer questions about your account or process phone payments from 8am-4:30pm, Monday through Friday
- 24/7 access to your accounts from anywhere through our Digital Banking portal, where you can:
 - Check loan balances and payment history
 - Draw funds from lines of credit
 - Make payments electronically
 - Take your account on the go with the Horizon Farm Credit Mobile App

Membership Benefits

As a Member of Farm Credit You Will Receive:

- Our bi-annual *Leader* magazine
- The Stockholders' Annual Report
- The right to vote for the Board of Directors and nominating committee each year
- The opportunity to be nominated and serve as a Director of your cooperative Association
- Patronage distribution (if declared)*
- Use of our free Member Assistance Program for counseling, financial and legal services
- A discount on the QuickBooks online

*Historical patronage distributions do not guarantee future distributions.
Visit horizonfc.com/patronage to learn more.



PATRONAGE CAN LOWER YOUR COST OF BORROWING

How Patronage is Paid

Your patronage distribution is based upon interest earned by the Association on your loan, as a percentage of total Association "patronage sourced" interest earned. Based on 2022 actual patronage distribution, we returned 100 percent in cash and retained 0 percent as allocated surplus, payable in a later year(s).

\$14,000

After receipt of your distribution, patronage effectively lowers your total interest cost for the first year of your loan from:

\$50,000 to \$36,000

This effectively lowers your interest rate from:

7.00% to 5.60%

A savings of:

2.7%

Eligible members receive patronage via check or direct deposit. Total patronage distributed is allocated to each member in proportion to the total interest earned on that member's loans in the given year.

These numbers are an example and do not reflect current rates.

Borrower Name	John Smith
Borrower Loan Amount	\$1,000,000
Borrower Interest Accrued	\$70,000
Borrower Interest Rate	7.00%
Borrower's Patronage Distribution	\$14,000
Stock Requirement	\$1,000
% of Total Interest Distributed – 2023 Projected	20.00%
Billing Rate	7.00%
Effective Rate to Borrower	5.60%
Savings from Patronage	2.7%

Visit HorizonFC.com/patronage to learn more and calculate your return.

Important Notice: The patronage factor of 20 percent (percent of interest distributed) used in this statement is a projection based on the current estimate of earned interest for 2023 and may be higher or lower than actual amounts paid in preceding years. This projection assumes this same patronage factor of 20 percent for all future years. Actual patronage for the year 2023 and all future years will be based on the performance and profitability of Horizon Farm Credit in those years. Actual patronage factors may be higher or lower or there may be no patronage in some years. **No representations are being made to you regarding future interest rates, the amount of any future patronage distributions, or whether there will be any future patronage distributions.**

POULTRY FINANCING CHECKLIST

Thanks for considering Farm Credit!

As the experts in agricultural lending, we understand the special needs of poultry farmers – we've been helping them achieve their goals for over 100 years! In order to provide you with prompt service and to begin processing your loan, please provide us with the following information:

Financial/Purchase

- ☐ Current balance sheets (Individual, Partnership, Corporation and/or LLC)
 - ☐ List of assets – savings and/or checking account statements, real estate, marketable securities, etc.
 - ☐ List of debts – balances owed along with names and addresses of all creditors
 - ☐ Partnership – copy of partnership agreement
 - ☐ Limited Liability Corporation (LLC) – copy of operating agreement
 - ☐ Corporation – copy of bylaws and certificate of incorporation
- ☐ Federal income taxes and W-2's for the past three years
- ☐ Pay stubs from the last 30 days

Building/New Construction

- ☐ Copy of proposed construction contract with contractor's disbursement schedule, as well as quotes on:
 - ☐ Excavation – for roadways, culverts, pads for poultry houses, manure shed and/or composter/freezer shed
 - ☐ Outside electric and wiring - including maintenance and upgrades, generator hook up, lighting protection, etc.
 - ☐ Well and pump tank
 - ☐ Generator, generator building and automatic transfer switch
 - ☐ Manure shed and composter or mortality freezers
 - ☐ Tractor and/or Bobcat
 - ☐ Estimate for new dwelling, if necessary
 - ☐ Permits
 - ☐ Engineering/site work
 - ☐ Alarm System
 - ☐ Equipment Needs

NEW POULTRY HOUSE CONSTRUCTION



Permits & Plans Required:

- Local township - consult for specific requirements needed to proceed with construction project
- Sediment & Erosion Control Plan – stamp on plans
- Storm Water Management Plan – stamp on plans
- Building Permit (Zoning Permit)
- Comprehensive Nutrient Management Plan (CNMP)
- Odor Management Plan (OMP)
- Confined Animal Feeding Operation (CAO/CAFO) permit
- Farm Credit is able to provide Letters of Credit if required for construction

Beginning of Construction:

- **SITE PLAN MUST BE FOLLOWED**
- Builders risk policy to be provided
- Invoices needed to support disbursement
- Inspections will be conducted to verify work has been completed per invoice & site survey

End of Construction:

- Documentation of permanent insurance in place
- Township Write Off
- Retain log book per integrator requirements

DELMARVA INDUSTRY RESOURCES

INTEGRATORS

Allen Harim	allenharimllc.com	302.629.2608
Amick	amickfarms.com	410.943.3989
Coleman	colemannatural.com	800.442.8666
Mountaire	mountaire.com	302.934.1100
Perdue	corporate.perdufarmers.com	410.543.3789
Tyson	farmwithtyson.com	757.824.3471

REGIONAL RESOURCES

Delaware Association of Conservation Districts	dacdnet.org	
DE Department of Ag	agriculture.delaware.gov	302.698.4500
Delaware FSA	fsa.usda.gov	302.856.3990 ext. 2
Delmarva Chicken Association	dcachicken.com	302.856.9037
MARBIDCO	marbidco.org	410.267.6807
Maryland Association of Soil Conservation Districts	mascd.net	
MD Department of Ag	mda.maryland.gov	410.479.1202 ext. 2
Maryland FSA	fsa.usda.gov	410.841.5700
NRCS	nrcs.usda.gov	
University of Delaware Extension	udel.edu/canr/cooperative-extension	302.856.7303
University of Maryland Extension	extension.umd.edu	301.405.2907
VA Department of Ag	vdacs.virginia.gov	804.786.3501
Virginia Department of Conservation & Recreation	dcr.virginia.gov/soil-and-water/swcds	
Virginia FSA	fsa.usda.gov	540.231.9347
Virginia Tech Extension	ext.vt.edu	804.287.1500

PENNSYLVANIA INDUSTRY RESOURCES

INTEGRATORS

Alderfer Poultry	alderfereggs.com	215.723.9578
Bell & Evans	bellandevans.com	717.865.6626
BJE Poultry	bjepoultry.com	800.767.4537
Charles Brothers Poultry		717.872.7621
Dutchland Farms (The Wenger Group)	dutchlandfarms.com	800.692.6008
Embrovac		570.386.8401
Empire Kosher	empirekosher.com	717.436.5921
FreeBird	freebirdchicken.com	717.865.2136
Heritage Poultry Management		717.867.8366
Hillandale Farms	hillandalefarms.com	
Joe Jurgielewicz & Son	tastyduck.com	610.562.3825
Kreider Farms	kreiderfarms.com	888.665.4415
Longnecker's Hatchery	lh-inc.com	
Maple Lawn Associates		717.463.2342
Martin's Quality Eggs	martinseggs.com	717.733.1235
Nature's Yoke	naturesyoke.com	717.925.0171
Pete and Gerry's	peteandgerrys.com	800.210.6657
Plainville Farms	plainvillefarms.com	800.742.0206
Risser's Poultry	risserspoultry.com	717.626.5466
Sauder's Eggs	sauderseggs.com	717.626.2074
Tyson	farmwithtyson.com	757.824.3471

REGIONAL RESOURCES

Center for Poultry & Livestock Excellence	poultryandlivestockexcellence.org	717.651.5920
Farmer Boy Ag (builder)	farmerboyag.com	800.845.3374
Pennsylvania Association of Conservation Districts	pacd.org	
PA Department of Ag	agriculture.pa.gov	717.787.4737
Penn State Extension	extension.psu.edu	877.345.0691
Pine Tree Builders (builder)		717.725.2530
Red Barn (engineers/consultants)	redbarnag.com	717.393.2176
SK Construction		717.365.3070
Team Ag (engineers/consultants)	teamaginc.com	717.721.6795
Zeiset Equipment (builder)	zeisetequip.com	717.665.4056



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SHENANDOAH VALLEY RESOURCES

INTEGRATORS

George's	georgesinc.com	800.800.2449
Farmer Focus	farmerfocus.com	540.433.8400
Virginia Poultry Growers Cooperative	vapoultrygrowers.com	540.867.4000
Pilgrim's Pride	pilgrimsusa.com/contact-us	
Cargill	cargill.com	

REGIONAL RESOURCES

Virginia Poultry Federation	vapoultry.com	540.433.2451
VA Department of Ag	vdacs.virginia.gov	804.786.3501
Virginia FSA	fsa.usda.gov/state-offices/Virginia	804.287.1500
Virginia Tech Extension	ext.vt.edu	540.231.9347
West Virginia Department of Ag	agriculture.wv.gov	304.558.3550
West Virginia FSA	fsa.usda.gov/state-offices/West-Virginia	304.284.4800
West Virginia Extension	extension.wvu.edu	304.293.6131



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