

**FINANCING FOR BACKGROUNDING, FINISHING, OR PLACING IN A FEEDLOT**  
**Producers Livestock Credit Corporation**  
**Omaha, Nebraska**  
**800-950-7522**

- **FEEDER PROGRAM**

The feeder and feedlot finishing programs are especially popular with customers who wish to retain ownership in their home raised calves. PLCC can advance funds against the value of the home raised calves at a fair market value. This advance allows the customer to pay their operating expenses and/or pay down their short term lender while continuing to feed their own cattle. If the customer has feed available and the facilities are adequate, PLCC will finance 100% of the fair market value of home raised or purchased cattle. It is the customer's responsibility to provide the feed, labor, and management of the cattle. When the cattle are sold, the proceeds go directly to PLCC to pay off the debt against the cattle. The remaining equity will then be paid to the customer and/or their short term lender. Equity advances for operating expenses are allowed but kept to a minimum.

- **FEEDLOT PROGRAM**

If a customer prefers to be reimbursed for feed as cattle are fed at their own feedlot, margin equity per head is required and PLCC will advance for feed costs until the cattle are sold as long as the margin equity requirement is met. Generally, a \$175.00 per head equity margin is required for cattle that are to be backgrounded, a \$200.00 per head equity margin is required for the finishing of beef cattle, and \$250.00 per head is required for the finishing of Holstein steers. These requirements may change depending upon current market conditions.

When cattle are sold, the proceeds will be sent directly to PLCC. PLCC will apply the proceeds to the purchase price of cattle, interest, feed, yardage, marketing fees, and any other applicable expenses charged against the cattle that were financed by PLCC. This may also include risk management expenses, transportation, ear tags, and/or branding expenses. The remaining equity will be distributed to the customer and/or lender. In all cases, should a deficiency exist on the promissory note after the cattle are sold, the customer will be responsible for the shortfall.

- **COMMERCIAL FEEDLOT PROGRAM**

If a customer prefers to feed cattle at a custom feedlot other than their own, margin equity per head is required and PLCC will advance for all feedlot costs until the cattle are sold. Generally, a \$200.00 per head equity margin is required for cattle that are to be backgrounded and a \$300.00 per head equity margin is required for the finishing of beef and Holstein cattle. These requirements may change depending upon current market conditions.

The feedlot must be an approved feedlot by PLCC. When cattle are sold, the proceeds will be sent directly to PLCC. PLCC will apply the proceeds to the purchase price of cattle, interest, feed, yardage, marketing fees, and any other applicable expenses charged against the cattle that were financed by PLCC. This may also include risk management expenses, transportation, ear tags, and/or branding expenses. The remaining equity will be distributed to the customer and/or lender. In all cases, should a deficiency exist on the promissory note after the cattle are sold, the customer will be responsible for the shortfall.

**To discuss these programs or make a loan application, call us at:**

**800-950-7522**