



Commonwealth of Kentucky  
Governor's Office of Agricultural Policy

**For Immediate Release**

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**KAFC Board Approves First Applicant for New  
Large/Food Animal Veterinary Loan Program**

**FRANKFORT, Ky. (March 6, 2009)** - The Kentucky Agricultural Finance Corporation (KAFC), chaired by Agriculture Commissioner Richie Farmer, approved its first applicant for the new Large/Food Animal Veterinary Loan Program.

Dr. Melissa Lipps and her husband Joe of Shelbyville, received the first low interest loan in the new Large/Food Animal Veterinary Program. Dr. Lipps is a partner in the Shelby Veterinary Clinic, which is one of the last remaining food animal practices in the area. With the low interest loan, they plan to buy-out the remaining interest in the clinic in hopes of continuing the emphasis on large animal medicine.

The Kentucky Agricultural Development Board allocated \$1 million dollars this past November to the KAFC to be used for low interest financing for veterinarians to establish or expand large/food animal veterinary services in Kentucky. Specifically the KAFC Large/Food Animal Veterinary Loan Program will provide low interest loans to assist individuals licensed to practice veterinary medicine in Kentucky who desire to construct, expand, equip or buy into a practice serving large/food animal producers.

“We realize that this is only one piece of the complicated puzzle in attracting more large/food animal veterinarians,” said Roger Thomas, Executive Director of the Governor’s Office of Agricultural Policy. “But we believe that by devoting a few resources to this area we can have a meaningful impact.”

The Large/Food Animal Loan Program is a participation loan which requires a lender to initiate the application process. To be eligible the applicant must be licensed to practice veterinary medicine in Kentucky and have a net worth less than \$500,000. KAFC will loan up to \$100,000 not to exceed 50% of the project. The interest rate will be fixed at 2% with the lender adding up to 1% to service the loan. The maximum loan term will be 15 years or the useful life of the asset being financed. Applicants will be required to submit a five year business plan.

Governor Beshear and the Kentucky Legislature continue their commitment to the agricultural diversification efforts being made across the Commonwealth. In 2002, the Kentucky Agricultural Development Board, as part of the *Long-term Plan for Agricultural Development*, recommended that the KAFC originally established in 1984, be restructured to provide capital access for agricultural diversification and infrastructure projects. KAFC was moved to the Governor's Office of Agricultural Policy from the Kentucky Department of Agriculture in 2004. To date, KAFC has approved 273 projects and committed over \$29 million.

For a more information on the Kentucky Agricultural Finance Corporation Programs contact Bill McCloskey, Director of Financial Services, at (502) 564-4627 or visit the KAFC webpage at <http://kafc.ky.gov/>.

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