

Cost of borrowing at IPED

Below a couple of examples of the borrowing costs at IPED

Loan term 3 months, installment after term

Loan Amount	Interest 20%/ year	Total Repayment	Processing Fee	Legal Fee	Total Cost
300,000	15,000	315,000	4,000	7,500	326,500
500,000	25,000	525,000	5,000	12,500	542,500
750,000	37,500	787,500	7,500	18,750	813,750
1,000,000	50,000	1,050,000	10,000	25,000	1,085,000
2,000,000	100,000	2,100,000	20,000	50,000	2,170,000
5,000,000	250,000	5,250,000	50,000	125,000	5,590,504
7,500,000	375,000	7,875,000	75,000	250,000	11,155,996

Loan term 12 months, quarterly installments

Loan Amount	Interest 20%/ year	Total Repayment	Processing Fee	Legal Fee	Total Cost	Quarterly Payment
500,000	64,024	564,024	5,000	12,500	651,964	141,006
1,000,000	128,048	1,128,048	10,000	25,000	1,303,904	282,012
5,000,000	640,236	5,640,236	15,000	37,500	1,955,868	1,410,059
7,500,000	960,356	8,460,356	75,000	250,000	8,785,356	2,115,089

Please note that in this example:

- i) Legal fees were set on 2.5% of loan amount,*
- ii) Processing Fees are shown for First Time Borrowers, and*
- iii) Revenue Stamps are not taken into account*

NOTE: New projects with less than 300 birds will not be funded if project is only means of income for family.

Poultry Loan under Small & Medium Facilities

Features of the Poultry Loan

- 1. Loan amount:**
 - a. Up to \$7.5 Million
- 2. Purpose:**
 - a. To purchase baby chicks, ducklings, feed and medication
 - b. To purchase equipment and machinery
- 3. Collateral:**
 - a. Loans less than \$2 Mln: bill of sale on motor vehicles and equipment
 - b. Loans \$2 Mln and above: mortgage on property and/or bill of sale on motor vehicles and equipment
- 4. Cost of borrowing:**
 - a. Interest rate: 20% per year reducing balance
 - b. Processing fee: 1% of loan amount with minimum of \$4000 and \$75,000 maximum
 - c. Legal fees: between 2% and 3.5% of loan amount depending on the collateral
 - d. Fire insurance: 0.3% of loan amount annually if building is mortgaged
 - e. Revenue Stamps: 0.1% of loan amount
- 5. Loan term and installments:**
 - a. Purchase of inputs: loan term up to 3 months
 - b. Purchase of equipment: loan term up to 3 years
 - c. 3 month cycle and quarterly installments possible

***Special conditions apply for Micro loans under \$750,000 without hard collateral**

Available at:

Main office- Georgetown Branch	Tel.: 226-4675, 225-8949	Vreed-en-Hoop Branch	Tel. 264-3592
Rosignol	Tel.: 327-5367	Parika Branch	Tel.: 260-4399
New Amsterdam	Tel.: 335-5673/3334360	Cotton Field	Tel.: 771-4955
Corriverton Branch	Tel.: 335-3928	Charity	Tel.: 771-4800
Port Mourant	Tel.: 336-6171	Lethem	Tel.: 772-2230
Linden Branch	Tel.: 444-3001	Mabaruma/Port Kaituma	Tel.: 772-2229
Parika	Tel.: 260-4399		

Required documents and information

- Proof of Identity: ID Cards or Passport
- Proof of Address: **Updated Utility Bill e.g. Rates and Taxes, Water & GPL or mail to address**
- Names, Address and Phone numbers of a:
Family Member
A Friend
Written Reference on form provided by IPED

Tin Certificate/number

Environmental Permits

- Estimate of cost of purchases to be made with loan
- Statements of amounts owing to Producers, Banks, other Financial Institutions, Landlords, Suppliers, Family and Friends
- For Collateral provided:
 - Motor Vehicle Registration
 - Copies of Transport, Certificate of Title, Lease etc. Valuation on form(s) provided by IPED
 - Description of Machinery and Equipment (including serial & model numbers, and value supported by receipts)
- Payment of half (1/2) the Processing Fee (see below for details on amount) at the time of application
- Credit info Fee \$ per Client

Please make sure to have received the following forms if you want to apply for this loan:

- IPED Reference Form
- IPED Estimate of Purchases Form
- IPED Valuation Form For Building/ Land
- IPED Valuation Form For Vehicle

Loan processing will commence upon submitting all of the above requirements. The submission of these documents does not guarantee that your loan application will be approved.

NOTE: Call to make an appointment with your relevant loan officer

Name:.....Tel:.....

Process to be completed before disbursement

1. Upon submitting the requirements above a loan application will be filled out together with you and an IPED Business Counselor to assess if a loan is feasible.
2. The Business Counselor will visit your Business and/or Home to do an assessment of your business and collateral. They will take photos of:
The Applicant(s)
All Collateral including serial numbers and location
The Business and/or Home
3. When the application is completed and signed by the applicant declaring all information submitted to be true and correct the application will go to the approval committee.
4. When the application is approved the following is required of the client before IPED will pay out the loan:
Submission of Original lease, Certificate of title, Transport, and/or vehicle registration.
Approved Life Insurance of principal applicant under IPED's Group Life Policy. For loans above \$1,500,000 interview with insurance agent needed. Medical report can be requested at this stage. Premiums paid by IPED.
Fire Insurance application completed and premiums paid, if building is offered as collateral.
Payment of second half of processing fee. Payment of legal fees.
Payment of Revenue Stamps.
Signing of all Legal Documents
Filing of the Mortgage and Bill of Sale
5. Disbursement of the loan

Please note that Loan Applications can take two (2) to four (4) weeks to process, amongst others depending on the size of the loan and the sort of collateral given.