

# THINK FARM. THINK AGRIROOTS.

## AGRICULTURAL MORTGAGES



## We're your agricultural mortgage partner.

### Option 1: Refer your Ag clients to us

And we'll manage it all, including complete brokerage and lending packages to ensure your client gets the right funding for their individual needs.

### Option 2: Electronic Submission to AgriRoots

You continue to work directly with your clients. Submit the file electronically to AgriRoots Capital Management Inc. FamilyLending.ca Inc. will act on behalf of AgriRoots Capital Management Inc.

Note: Subject to executed Broker Engagement Package in Ontario, effective April 1, 2023, this now requires FSRA level 2 licensing.

**Either way, you can earn a fee upon funding!! \*\***

### How do I submit a deal?

Please email [brokers@agriroots.ca](mailto:brokers@agriroots.ca) for a broker engagement package. All deals are received electronically.

### We lend across Canada

AgriRoots Capital Management Inc. lends in all provinces except Quebec, the Yukon Territory, the Northwest Territories, and Nunavut.

### Contact us today!

519 351 5650 | 1 877 455 1478

AGRICULTURAL MORTGAGES	
1 <sup>ST</sup> Mortgages	2 <sup>ND</sup> Mortgages
Rates from 8.49%*	Rates from 10.99%*
75% MAX LTV	75% MAX LTV
2% Base Lender Fee*	
Interest Only Payment	
Broker Sets Their Fee**	

RURAL RESIDENTIAL & COMMERCIAL MORTGAGES	
Up to 80% LTV	Interest Only Options
Rates from 8.49%*	Interest Reserve Options
2% Lender Fee*	Bridge Financing Available

\*Subject to change

**All mortgages through AgriRoots Capital Management Inc. and its subsidiaries will be brokered through the originating broker and FamilyLending.ca Inc., ON Brokerage #12114. FamilyLending.ca Inc. is a related brokerage, registered in multiple Canadian provinces.**

# Financing the success of agriculture in Canada.

AgriRoots Capital Management Inc. is a non-bank alternative lender focused exclusively on Canadian agricultural mortgages. We take the time to consider the individual needs of our borrowers and then build the best financial strategy to move them forward successfully.

Our niche is providing bridge capital (12-36 months) with the goal of transitioning our clients back to more traditional financing or another predefined exit strategy.

## We lend to support more than farms.

AgriRoots Capital Management Inc. clients span any number of agriculture-related businesses. If land is zoned agricultural or commercially zoned to support agricultural production – for example a cheese factory, or food processing facility – we're here to help.

## Don't delay – Contact us today!

Contact AgriRoots Capital Management Inc. for more information, to receive our full Broker Information Kit, or to make your first referral now!

## agriroots.ca

AgriRoots Capital Management Inc.

### Corporate Head Office

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Chatham, ON N7L 0E9  
519 351 5650 | 1 877 455 1478

### Toronto Office

647 417 0600



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The Materials includes information, statements, beliefs, and opinions which are forward-looking information and forward-looking statements under applicable Canadian securities laws, and which reflect current estimates, expectations, and projections about future events. Statements containing the words "believe", "expect", "intend", "should", "seek", "anticipate", "will", "positioned", "project", "risk", "plan", "may", "estimate" or, in each case, their negative and words of similar meaning are intended to identify forward-looking information. By its nature, forward-looking information involves a number of known and unknown risks, uncertainties and assumptions concerning, among other things, anticipated business strategies, anticipated trends in business, anticipated future revenue, and anticipated market share, that could cause actual results or events to differ materially from those expressed or implied by such forward-looking information. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. In addition, even if the outcome and financial effects of the plans and events described herein are consistent with the forward-looking information contained in the Materials, those results or developments may not be indicative of results or developments in subsequent periods. Although attempts have been made to identify important risks and factors that could cause actual actions, events, or results to differ materially from those described in forward-looking information, there may be other factors and risks that cause actions, events or results not to be as anticipated, estimated or intended. Forward-looking information contained in the Materials are based on the current estimates, assumptions, expectations, and projections, which are believed to be reasonable as of the current date. There is no assurance that these estimates, assumptions, expectations, and projections will prove to have been correct. You should not place undue reliance on forward-looking information contained in the Materials. Forward-looking statements contained in the Materials are made of the date of the Materials, except as required by applicable law, there is no obligation to update or revise them to reflect new events or circumstances. No statement in the Materials is intended to be nor may be construed as a profit forecast. All forward-looking information in the Materials is expressly qualified in its entirety by this cautionary statement. To the extent any forward-looking information in the Materials constitutes "future-oriented financial information" or "financial outlooks" within the meaning of applicable Canadian securities laws, such information is being provided to demonstrate the potential benefits of the business opportunity described herein and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking information generally, are, without limitation, based on certain assumptions and subject to certain risks as set out above under the heading "Cautionary Note Regarding Forward-Looking Information". Actual results may differ materially.

## The AgriRoots Difference

With over 35 years of financial and agricultural experience and knowledge, our niche at AgriRoots Capital Management Inc. (AgriRoots) is providing bridge financing to Canadian farming and agricultural operations. Our mission is to put your client on the path to traditional financing or another predefined, predetermined exit strategy.

We are not pure equity lenders. We take the time to understand each client, their unique needs, and the best financial strategy to move them forward. We always ensure there is a viable financial plan including repayment of debt obligations and a clear exit strategy for your client.

### What We Require

Our underwriting process is based on a **holistic approach which includes reviewing the entire operation in addition to the financial analysis. Our underwriting team attributes significant value to the backstory of your client.** By understanding the operation's history, current situation, and future aspirations we tailor the financial solution to match. We see value in keeping Canadian farmers on Canadian farms.

### A typical broker submission package includes the following:

- 2 pieces of valid ID (acceptable ID varies depending on the province)
- Consent & KYC forms
- Loan request details
- Address of the subject property(s)
- Detailed Personal Net Worth Statement(s) and credit bureau report (< 30 days old at the time of submission)
- 3 years of Personal tax returns with all applicable Business, Rental, and Farm Statements and/or Corporate Financial Statements (Notice of Reader at minimum) as applicable
- Breakdown of the use of funds
- Amount of Broker Fee being charged to the borrower(s)
- Letter of Direction signed by borrower(s) for Broker Fee (may be submitted later in process)
- Cashflow projections (revenue and expenses) for 1-3 years depending on the operation
- AACI appraisal
- For Brokers and Agents in Ontario, must be able to confirm Level 2 licensing
- All applicable regulatory requirements based on jurisdiction
- Executive Summary of the history of the operation/borrower, experience, and production plans for the property/operation
- Proposed exit strategy and timeline

### Please note:

1. The last 2 items on this list are often overlooked, however, we view them as an integral part of the broker submission package. A fully complete broker submission package is a requirement as this allows us to speed up the underwriting and approval process.
2. An appraisal may be required after a commitment has been issued.
3. If you have any questions about any of the items listed above, please feel free to contact us beforehand. We'd be happy to answer any questions you may have.

**BROKER/BROKERAGE AGREEMENT (the “Agreement”)**

This Agreement is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

**BETWEEN**

**AgriRoots Capital Management Inc. (the “Lender”)**

AND

\_\_\_\_\_ (the “Broker/Brokerage”)  
Broker/ Brokerage Firm Name

WHEREAS the Lender is in the business of making agricultural mortgage loans and the Broker/Brokerage wishes to submit to the Lender mortgage loan s (“Application” or “Applications”) it receives.

AND WHEREAS the Broker/Brokerage is a non-exclusive independent contractor who is appropriately registered under the mortgage Broker/Brokerage laws of the Province(s) in which it conducts business, and is not employed by nor operating as an independent contractor, partner or joint venture of or with the Lender and wishes to deal with the Lender for the sole purpose of soliciting, completing and submitting Applications with respect to mortgage products and other related business activities made available to the mortgage Broker/Brokerage and its brokers, sub-brokers and agents by the Lender.

AND WHEREAS the Broker/Brokerage employs or contracts with mortgage brokers, sub-brokers and agents who are adequately registered under the Broker/Brokerage registration pursuant to the mortgage Broker/Brokerage laws of the Province(s) in which they conduct business and said mortgage brokers, sub-brokers and agents are not employees, independent contractors, partners or joint venturers of the Lender.

NOW THEREFORE in consideration of the covenants and agreements contained in this Agreement and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties agree as follows:

**BROKER/BROKERAGE OBLIGATIONS:**

The Broker/Brokerage acknowledges and agrees to comply with the following obligations and agrees to ensure that all of the Broker/Brokerage’s employees and agents acting on its behalf pursuant to this Agreement comply with the following:

- 1) Broker/Brokerage hereby certifies that they hold a license to deal and trade in mortgages in their provincial jurisdiction including any special requirements for working with Private Lenders where applicable. Broker/Brokerage also acknowledges that the Lender and/or Brokerage may request a background check. The Broker/Brokerage agrees to provide the Lender with its articles of incorporation and any certificate of corporate status or other documentation evidencing registration of the Broker if requested by the Lender. Furthermore, the Broker/Brokerage agrees to provide evidence supporting their experience and expertise in private mortgage lending, if requested by the Lender.
- 2) Broker/Brokerage will submit all Applications to the Lender through Filogix Expert, Velocity, or Finmo, Door, or any other AgriRoots-approved operating system. The Lender will then communicate with submitting Broker/Brokerage regarding the Application.
- 3) The Broker/Brokerage shall obtain the necessary consents from all borrowers prior to submitting the Application to the Lender, in a manner and form acceptable to the Lender and/or Brokerage, so that the Lender can correctly obtain, use and disclose such information in accordance with applicable law and the Lender’s privacy policy (a copy of the Lender’s privacy policy is available on request). The Broker/Brokerage will advise the borrower that they will be



required to sign a new consent form directly with the Brokerage.

- 4) The Broker/Brokerage acknowledges that the Lender has a Servicing Agreement with a related Mortgage Brokerage, FamilyLending.ca Inc. (referred to as “the brokerage”). The Brokerage holds licenses in all provinces except Quebec. The Lender works with the Brokerage to comply with all provincial regulatory guidelines. The Brokerage will disclose to the borrower its role in the transaction to meet regulatory requirements in each province. The brokerage “acts for the lender” unless otherwise stated and as provincial regulations require.
- 5) The Broker/Brokerage acknowledges that they will be assigned to a licensed underwriter and credit analyst of the Lender and the Brokerage. An employee of the Lender or the Brokerage may hold a dual role between the Brokerage and the Lender. An employee of the Lender may be a licensed agent or broker of the Brokerage for regulatory purposes.
- 6) Broker/Brokerage agrees to provide the Brokerage with any and all additional mortgage loan Application details as requested and any related documents, as requested by the Brokerage and/or the Lender.
- 7) The Broker/Brokerage acknowledges that if the Lender requires any additional information and/or supporting documentation with regards to a submitted Application, upon receiving Consent the Brokerage will contact the borrower on behalf of the Lender to obtain all further information as necessary to facilitate the loan and satisfy all provincial regulatory requirements.
- 8) The Broker/Brokerage shall act honestly and in good faith and comply with standard industry practice and as per regulatory requirements. The Broker/Brokerage agrees and certifies that to the best of their knowledge, all documents submitted the Lender and/or Brokerage will be true, accurate, and complete in all respects, and that they will follow all best practices for fraud avoidance published by mortgage broker associations, provincial regulators, and federal and/or provincial governing bodies in which the Broker/Brokerage carries on business.
- 9) The Broker/Brokerage acknowledges that FamilyLending.ca Inc. will prepare all regulatory documents on behalf of the Lender and contact the Broker/Brokerage or borrower for signature as provincially required. FamilyLending.ca Inc. has a professional responsibility to ensure that risks and suitability are assessed for both the Lender and the borrower. This will require extensive conversations with the borrower, as well as underwriting and analysis with the Lender.
- 10) The Broker/Brokerage shall maintain adequate insurance, which will include errors and omissions insurance. The Broker shall also update coverage as required by any changes to applicable laws.
- 11) The Broker/Brokerage shall disclose to the Lender any potential conflict of interest relating to the submission of mortgage Applications as well as any additional documentation requested by the Lender.
- 12) Broker/Brokerage will verify the identity of every borrower, co-borrower, and/or guarantor and notify the Lender if such identity cannot be verified in accordance with regulatory requirements.
- 13) The Broker/Brokerage shall disclose to each borrower and co-borrower the cost of borrowing and any other information prescribed by the applicable laws and will provide the Lender with a copy of said form prior to funding. The Broker/Brokerage will comply with all laws, rules, and regulations applicable to the mortgage transaction, including, but not limited to, laws, rules, and regulations relating to anti-money laundering, mortgage broker legislation, Canada’s Anti-Spam Legislation (CASL) and privacy legislation, credit bureau and consumer reporting legislation, consumer protection and disclosure requirements.
- 14) The Broker/Brokerage must provide the Lender with a completed Broker Application, a copy of which is attached as a schedule to this Agreement, confirming the names of all employees and agents who may be completing and submitting Applications for mortgages to the Lender. The Broker/Brokerage shall notify the Lender in writing of any changes afterwards for new employees and agents, and those who leave the employ of the Broker/Brokerage. The Lender reserves the right to decline any specific Application and it reserves the right to refuse to consider Applications from specific employees or agents of the Broker/Broker

#### **LENDER OBLIGATIONS:**

The Lender agrees to comply with the following obligations:

- 1) The Lender will supply the Broker/Brokerage with current information about the products and services offered.
- 2) The Lender will provide consistent underwriting practices based upon the Lender’s current underwriting guidelines at the time of application and ensure that decisions and documentation reviews are made within an acceptable period.
- 3) The Lender is not obliged to approve a mortgage loan Application submitted to it by the Broker/Brokerage.

- 4) The Lender will provide updates to the Broker/Brokerage in a timely fashion.
- 5) The Borrower will compensate the Broker/Brokerage's Brokerage Firm based upon the amount, type, and term of any mortgage loans funded by the Company per such compensation schedules or agreements as communicated by the Lender to the Broker/Brokerage from time to time.
- 6) The Lender will provide updated product, policy and pricing information.
- 7) The Lender will add the Broker/Brokerage to their permitted list of approved Brokers.
- 8) The Lender will maintain adequate licensing as a Mortgage Administrator.

**BROKER/BROKERAGE INDEMNIFICATION OF THE LENDER:**

Broker/Brokerage will indemnify and hold harmless the Lender and its affiliates, directors, officers, employees, agents, successors, and assigns from and against any and all loss, liability, claim damage, or expense, whether direct, indirect or consequential, any statutory or regulatory suit, action or proceeding for fines, penalties, costs, assessments, compliance or cease-and-desist orders and including legal fees on a substantial indemnity (i.e. solicitor and his/her own client) basis, which may be brought against them in tort, contract, statute or otherwise arising from, related to or in connection with the services provided by Broker/Brokerage or any of the activities of Broker/Brokerage contemplated by or undertaken according to this Agreement, directly or indirectly, and in respect of fraudulent or criminal conduct, errors or omissions, or misrepresentations, whether done intentionally, negligently or otherwise.

Without limitation, the above indemnity obligation of the Broker/Brokerage shall also apply to all breaches by the Broker/Brokerage of this Agreement; any claim by a customer arising from, or related to, a mortgage Application or mortgage commitment, including the way documents provided to the customer, were described or any misrepresentations made by the Broker/Brokerage and the use and/or misuse of personal information of the customer; the Lender's failure or refusal to act on an electronic instruction given or purported to be given by Broker/Brokerage; and any non-compliance or alleged non-compliance by the Broker/Brokerage of any applicable laws and regulations (regardless of whether a claim is successful). The indemnity provided in this section shall survive the termination of this Agreement.

**GENERAL MATTERS:**

This Agreement may be terminated by: (i) either party upon 30 days prior written notice, or (ii) immediately by the Lender should Broker/Brokerage breach any obligation or condition of this Agreement.

Any such termination will not affect the rights and obligations of the parties under this Agreement before the date of termination.

**SERVING NOTICE:**

Any notice required or permitted to be given hereunder shall be in writing and shall be given by delivering the same or by mailing the same by prepaid registered mail or by sending the same by facsimile or email as follows:

<u>If to the Lender:</u>	AgriRoots Capital Management 785 St. Clair Street, Unit A Chatham, ON N7L 0E9  Attention: Credit Risk Management Department
<u>If to the Broker/Brokerage:</u>	_____
Main Office Address:	_____
City:	_____
Province:	_____ Postal Code: _____
Attention:	_____

And any notice if delivered shall be considered to be received on the next business day after delivery, if sent by facsimile or email shall be deemed to be received at the beginning of the next business day after such facsimile or email is sent and if mailed by prepaid registered mail shall be deemed to be received on the third business day following the day on which it is mailed.

This Agreement shall be binding upon and ensure to the benefit of the parties hereto and their respective successors and assigns, however, may not be assigned by the Broker/Brokerage without the prior written consent of the Lender.

This Agreement may be executed by electronic signature and/or sent by email or facsimile and in any number of counterparts and, if so executed, shall be legal, valid, binding and enforceable to the same extent as if signed by all parties.

The Lender may assign this Agreement without the prior written consent of the Broker/Brokerage, but Broker/Brokerage may not assign it without the Lender's prior written consent. This Agreement is binding upon the parties, their respective successors, and permitted assigns.

This Agreement is to be governed by and applied and interpreted in accordance with the applicable laws in the Province of Ontario and the laws of Canada applicable therein, provided that the Broker/Brokerage shall comply with laws in the jurisdiction(s) in which it carries on business, or which otherwise regulates its activities as a Broker/Brokerage. The parties are attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

The term "including" means "including without limiting the generality of the foregoing."

If any one or more provisions contained in this Agreement shall be invalid, illegal, or unenforceable in any way, the remaining provisions hereof shall not be affected or impaired thereby.

This Agreement may be amended occasionally to reflect the then applicable legal requirements.

IN WITNESS whereof the parties hereto have executed this Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**BROKER/BROKERAGE**

By: \_\_\_\_\_  
Signature                                  Print Name                                  Title

By: \_\_\_\_\_  
Signature                                  Print Name                                  Title

**LENDER**

By: \_\_\_\_\_  
Signature                                  Print Name                                  Title

**BROKER/BROKERAGE APPLICATION**

Company Information			
Company Name:			
Office Address	Street		
	City	Prov	PC
Mailing Address For Payments	Street		
	City	Prov	PC
Primary Contact	Name	Email	
	Title	Phone	
Licensing Information			
Regulating Agency (List all)			
Provinces Licensed In			
License Number(s)			
Principal Broker	Name	Email	
	Title	Phone	
Authorized Brokers & Agents of the Broker/Brokerage with proper licensing and experience to deal in Private Mortgages			
Name		Email	License No
Broker/Agent		Phone	
Name		Email	License No
Broker/Agent		Phone	
Name		Email	License No
Broker/Agent		Phone	
Name		Email	License No
Broker/Agent		Phone	
Name		Email	License No
Broker/Agent		Phone	