

The Board lends money to farmers to pay debts, purchase live stock and farm equipment, assist in the purchase of farm land, make farm improvements and for any other purpose considered as improving the value of the land for agricultural purposes.

Loans are made on the security of first mortgages on farm lands actually operated by the borrower up to an amount not exceeding 50 p.c. of the appraised value of such farm lands and not in excess of \$5,000; such loans are repayable on an amortized plan over periods up to twenty-five years.

Further advances by way of second mortgage may be made to first mortgage borrowers who require additional funds. The amount of such additional advances is not to exceed 50 p.c. of the first mortgage loan, nor the aggregate of first and second mortgage loans to exceed two-thirds of the appraised value of the farm land mortgaged nor, in any event, an aggregate of \$6,000.

The interest rate on loans made on or after Apr. 2, 1945, is  $4\frac{1}{2}$  p.c. on first mortgage and 5 p.c. on second mortgage. The interest rate on loans made prior to Apr. 2, 1945, is 5 p.c. on first mortgage and 6 p.c. on second mortgage.

Particulars of the capital requirements of the Board and other details appear at p. 185 of the 1940 Year Book.

From the commencement of operations in 1929 to Mar. 31, 1948, the Board made 29,093 first mortgage and 9,461 second mortgage loans for a total amount of \$60,728,957 disbursed. Of this amount, \$37,069,120 has been repaid. At Mar. 31, 1948, the principal assets of the Board amounted to \$23,038,948 made up as follows: 14,790 first mortgage loans, \$21,932,657; 1,442 second mortgage loans, \$658,832; 306 sale agreements, \$402,632; and 20 parcels of real estate, \$44,827.

The average amount lent annually during the first ten years of operations was \$3,860,000. The volume of loans approved dropped from \$4,348,950 in 1940 to \$1,215,450 in 1943 but, since then, has increased steadily to \$3,460,550 in 1948. The trend in recent years is toward decreased borrowing to pay debts and increased borrowing to purchase land and farming equipment.

### 1.—Applications for Farm Loans Received, Loans Approved and Loans Disbursed, Years Ended Mar. 31, 1940-48

NOTE.—Figures for 1930-39 are given at p. 186 of the 1940 Year Book.

Year	Applications Received		Loans Approved					Loans Paid Out		
	No.	Amount	First Mortgage		Second Mortgage		Total Amount	First Mortgage	Second Mortgage	Total
			No.	Amount	No.	Amount				
				\$		\$				
1940.....	4,666	8,941,899	2,380	4,149,400	464	199,550	4,348,950	4,130,765	211,897	4,342,662
1941.....	2,806	5,769,950	1,459	2,655,050	228	104,350	2,759,400	2,619,109	108,398	2,727,507
1942.....	1,812	3,820,156	1,024	1,891,100	155	75,650	1,966,750	2,053,712	79,802	2,133,514
1943.....	1,055	2,277,830	601	1,156,150	135	59,300	1,215,450	1,260,033	60,223	1,320,256
1944.....	1,037	2,419,001	603	1,315,950	162	90,850	1,406,800	1,251,949	84,154	1,336,103
1945.....	1,306	3,293,559	728	1,623,000	176	100,700	1,723,700	1,561,174	100,235	1,661,409
1946.....	1,846	4,758,916	918	2,161,050	258	163,050	2,324,100	1,977,902	143,305	2,121,207
1947.....	2,015	5,579,142	1,312	3,165,250	404	253,900	3,419,150	3,030,915	242,896	3,273,811
1948.....	2,380	6,672,998	1,301	3,145,150	517	315,400	3,460,550	2,911,167	274,073	3,185,240