AgriGrowth Loan Scheme – Young Farmer Support Package

The Young Farmer Support Package at a Glance

Key features of the Young Farmer Support Package:

- Applications under the Young Farmer Support Package will be assessed in conjunction with the criteria contained within the AgriGrowth Loan Scheme Guidelines.
- Unsecured or partially secured loans of up to $250,000 will be considered on a case by case basis.
- Concessional interest rates. TDR cost of funds, currently 5.62 per cent per annum (as at November 2026) for first two years.
- More favourable loan conditions and more flexible security considerations.
- Unsecured or partially secured loans of up to $250,000 to young dairy farmers wishing to enter share farming arrangements.
- Facilitated access to relevant information and advice through Natural Resources and Environment Tasmania.

Are You Eligible to Apply?

To help decide whether you are eligible to be considered for the young farmer support package, you should be able to answer yes to all of these questions:

1. Do I generally have a demonstrated history of meeting my debt servicing obligations?
2. Does my Farm Business or Agri-Food Business meet the eligibility requirements of the AgriGrowth Loan Scheme?
3. Am I under 45 years of age?

AgriGrowth Loan Scheme – Young Farmer Support Package

The Young Farmer Support Package forms part of the AgriGrowth Loan Scheme and should be read in conjunction with existing AgriGrowth Guidelines.

1. Objective

To assist more young farmers to pursue Agribusiness farming opportunities within Tasmania.

2. Costs

Applicants are responsible for all costs incurred by them in the preparation and lodgement of a completed application.

No loan establishment fee will be charged on successful loan applications.

Crown Law legal fees associated with the preparation of loan documents will generally be capped at $500 for successful loan applicants.

Other costs associated with the proposed loan, for example valuation fees, will be payable by the applicant.

3. Eligibility Criteria for Assessment

In addition to the eligibility criteria for the AgriGrowth Loan Scheme a young farmer should also meet the following criteria:

A person who is intending to purchase or operate, as Principal, a Farm Business on land in Tasmania and who is classified as undertaking an agricultural pursuit in accordance with the Australian Tax Office definitions; who is projected to contribute at least 50 per cent of his or her labour and will generally derive at least 50 per cent of his or her income from the Farm Business within the loan term.

All young farmers will:

- Operate as a sole trader, trust, partnership, private company or co-operative;
- Generally be no more than 45 years of age. Exceptions may apply in some circumstances.
- Preferably not previously have been principal of a Farm Business and/or have owned land for that purpose. Exceptions may apply.
- Have (or have close association with) suitable farming experience in, and/or knowledge of, the type of farming operation to be undertaken.
- Be personally involved in the day to day operations of the Farm Business.
- Be able to demonstrate an ability to manage financial affairs.
- Be able to demonstrate via a suitably prepared business plan, sound prospects and commercial viability.
- Be able to demonstrate that, having assessed other commercially available financial assistance options, and having regard to their available resources, they are in genuine need of concessional financial assistance.

Dairy Share Farming

Young farmers wishing to progress from employee to share dairy farmer may be considered eligible for an unsecured or partially secured loan of up to $250,000.

The share farm agreement is to be deemed satisfactory by Building Tasmania and follow an accepted dairy industry share farming pathway.

4. Loan Security

Tasmania Development and Resources (TDR) is the legal entity that will provide the loan funds on behalf of Building Tasmania.

Successful applicants must provide acceptable loan security up to a maximum of 80 per cent of a valuation acceptable to TDR for freehold assets provided for security in accordance with established security requirements and commensurate with the amount of the loan.

Unsecured or partially secured loans of up to $250,000 may be considered on a case by case basis.

The security provided may include:

a) a registered mortgage over land satisfactory to TDR; and

b) any other security TDR considers acceptable and necessary.

Where applicable, assets provided as security must be insured (e.g. against fire and other perils) to the satisfaction of TDR.

Other non-freehold assets such as leasehold assets, livestock, plant, equipment or other tangible assets may be considered for security purposes. Satisfactory farm leasehold values will only be considered when agreeable lease term options extend past five years and lease arrangements are satisfactory to Building Tasmania.

Acceptable loan security is to be to TDR's satisfaction.

5. General Conditions of the Loan Scheme

5.1 Loan Amounts

Applications for loan amounts ranging from a minimum of $100,000 to a maximum of $3 million will generally be accepted in accordance AgriGrowth guidelines.

Loans to applicants up to $250,000 will be considered on an unsecured or partially secured (where security is available) on a case by case basis.

Applicants seeking unsecured or partially secured loans will be limited to $250,000 in total TDR borrowings.

5.2 Interest Rate

A variable concessional interest rate will apply for the first five years of the loan.

Loan interest rates will be the TDR cost of funds, currently 5.62 per cent per annum (as at November 2026) for the first two years of the loan. Interest rates would increase to cost of funds plus 1 per cent per annum, for years three, four and five.

The concessional loan interest rate may be withdrawn and TDR commercial rates may apply if the loan instalments are not paid by the required due date by the loan recipient or the loan purpose becomes non-compliant.

Concessional loan interest rates will return to TDR commercial rates after a period of no more than five years.

The loan interest rate will be reviewed on a regular basis. Building Tasmania will notify Loan Recipients in writing when changes take effect.