



**FARMERMAC**  
*Financing Rural America*

Farmer Mac Refresh:

**Tracking the Tabs to Success**



**Income & Expense and Subsidiary Analysis**



## Today's Presenters:

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## Tracking the Tabs to Success Series

### Getting Started with AgPower

- Farm & Ranch Loan Purchase Process
- Accessing AgPower
- Application Queue
- Application Tab
- Borrower Info Tab
- Communication/Attachment Tab

August 7<sup>th</sup> 2013

### Income & Expense and Subsidiary Analysis

- Income & Expense Tab
- Proforma Income & Expense Tab
- Subsidiary Analysis Tab

August 21<sup>st</sup> 2013

### Balance Sheet and Loan Summary

- Balance Sheet & Schedules
- Consolidated Balance Sheet & Schedules
- Proforma Balance Sheet and Schedules
- Loan Summary Tab

August 14<sup>th</sup> 2013

### Loan Submission and Final Steps

- Submitting the Loan
- Preliminary Loan Approval
- Appraisal Checklist
- PPDocs
- Rate Locking and Rate Lock Info Tab
- Purchase Request & Purchase Info Tab

August 28<sup>th</sup> 2013

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## Income & Expense and Subsidiary Analysis

Today's Webinar will cover the following:

- Income & Expense Tab
- Proforma Income & Expense Tab
- Subsidiary Analysis Tab

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## Income & Expense Tips

- The Income & Expense tab is completed for each entity per their tax returns or accountant prepared review level or audited statements
- Fast Track loans require the most recent 2 years of tax returns to be entered
- Full Underwrites and AgEquity loans require the most recent 3 years of tax returns to be entered
  - Four years of tax returns are required for operations with alternate bearing crops such as Walnuts etc.

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- The Income & Expense tab is completed for each entity per their tax returns or accountant prepared review level or audited statements
- Fast Track loans require the most recent 2 years of tax returns to be entered
- Full Underwrites and AgEquity loans require the most recent 3 years of tax returns to be entered
  - Four years of tax returns are required for operations with alternate bearing crops such as Walnuts etc.



## Income & Expense Tab

**FARMERMAC**  
Financing Rural America

Application Number: DC-110011  
Borrower: MAC LAND LLP

AgPOWER

Application Queue	Application	Borrower Info	Balance Sheet	BS(a)	Consolidated BS	Consolidated BS(a)	Submit Application
Consolidated BS PROFORMA	Consolidated BS(a) PROFORMA	INC and EXP	Consolidated INC/EXP PROFORMA	Appraisal Checklist	Manual / UW Grid		
Subsidiary Analysis	Loan Summary	UW Ratio	Communication/Attach	Appraisal	UW Analysis	Products Option	Instruction Letter

Save Inc and Exp Data    Print Document

### INCOME AND EXPENSE STATEMENT

Applicants Name: MAC LAND LLP

Multiple Entity: 1    Cash/Accrual: Cash    Last Tax Return Year: 2010    Years: 3

Detail Information

**FARMERMAC**  
Financing Rural America

Application Number: DC-110011  
Borrower: MAC LAND LLP

AgPOWER

Application Queue	Application	Borrower Info	Balance Sheet	BS(a)	Consolidated BS	Consolidated BS(a)	Submit Application
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Subsidiary Analysis	Loan Summary	UW Ratio	Communication/Attach	Appraisal	UW Analysis	Products Option	Instruction Letter

Save    Duplicate Application

Application Num: DC-110011    Application Status: New Application

Application Description: MAC LAND LLP

Number of Entities: 3 (1-15)    Seasoned Loan ☐    UW Type: FTF - Full Underwrite    Most Recent Inc/Exp Year: 2010 (2012)

Individual Completing Application: BERNARD ABBUHL

App. Exp. Date: 3/4/2011

Feed:	0	0	0	0
Fertilizer:	0	0	0	0
Freight:	0	0	0	0
Gasoline, Fuel:	0	0	0	0
Insurance:	14,200	16,000	19,000	16,267
Interest - Mortgage/Non-Current:	125,676	121,312	116,792	121,227
- Other Interest/Current:	0	0	0	0
- Total Interest:	125,676	121,312	116,792	121,227
Labor:	0	0	0	0

This is the income and expense statement for MAC Land LLP. To change to a different borrower's income and expense tab click the drop down box and toggle a different entity number. Select Cash or Accrual per the tax return and then select the number of years of information. The last tax return year auto fills from the application page. If you need to change the year, change it on the application, click save and the income and expense statement will adjust.

	2007	2008	2009	2010	Average
Total Farm Expenses	0	0	0	0	0
NET FARM INCOME	0	0	0	0	0
NON-FARM INCOME					
Salaries:	60,000	60,000	60,000	60,000	60,000
Interest Income:	25,195	21,883	28,500	25,193	25,193
Dividends:	16,000	16,000	10,285	14,095	14,095
Business Inc. (Sch C):	0	0	0	0	0
Capital Gain/Loss (Sch D):	-15,000	-3,500	21,900	1,133	1,133
Other Gains/Loss (4797):	0	0	0	0	0
Rental Income (Sch E):	-96,610	119,441	93,355	38,729	38,729
Other Inc A: IRA DISTRIBUTIONS	9,000	12,000	12,000	11,200	11,200
Other Inc B: SOCIAL SECURITY	0	0	10,000	3,333	3,333
Other Inc C:	0	0	0	0	0
Total Non-Farm Income	-815	225,824	236,040	153,683	153,683
TOTAL PRE-TAX INCOME	-815	225,824	236,040	153,683	153,683
Cash Flow Coverage					
TOTAL PRE-TAX INCOME	-815	225,824	236,040	153,683	153,683
Plus Adjustments:					
Farm Depreciation	0	0	0	0	0
Non-Farm Depreciation:	15,385	87,385	15,385	39,385	39,385
Farm Current/Non-Current Int. (F):	0	0	0	0	0
Non-Farm Non-Curr. Interest (C,E):	35,000	35,000	33,000	34,807	34,807
Capital Lease Payments	0	0	0	0	0
Other Plus Adj:	0	0	0	0	0
Minus Adjustments:					
Income & FICA taxes:	0	63,000	26,205	29,735	29,735
Family Living:	45,000	45,000	45,000	45,000	45,000
Non-Recurring:	0	0	0	0	0
Other Minus Adj:	0	0	0	0	0
CASH FLOW AVAILABLE:	5,570	240,209	213,820	153,200	153,200
Comments:					
<div>Save Inc and Exp Data</div> <div>Print Document</div>					

Fill out the income and expense information for all entities on their specific income and expense statement. In this example the borrowers only have non-farm income and expense items.

- Enter the salary information from the tax return. The underwriter may request a current paystub to verify current employment and wages
- Capital Gains- determination will need to be made if this income is recurring or not. For example, a one time sale of real estate is considered non-recurring.
- Rental Income or Schedule E income. Note the non farm depreciation and interest from Schedule E can be added back in.
- There are additional lines for other income. The yellow boxes are open for you to describe this income such as Social Security.
- Please remember to complete the tax information from the tax returns.
- Farmer Mac's minimum guidelines for family living are \$15,000 per adult and \$5,000 per child on the tax return.
- If there are items that are non-recurring you would enter the amount here.

AgPower will then automatically calculate the Cash Flow Available for each entity. You can see here the cash flow available for Mac and May Farmer.





## Proforma Income & Expense Tab



Application Number: DC-110011  
 Borrower: MAC LAND LLP



Application Queue   Application   Borrower Info   Balance Sheet   **INC and EXP**   Consolidated BS(a)   Submit Application

Consolidated BS PROFORMA   Consolidated BS(a) PROFORMA   **Consolidated INC/EXP PROFORMA**   Appraisal Cklist   Manual / UW Grid

Subsidiary Analysis   Loan Summary   UW Ratio   Communication/Attach   Products Option   Instruction Letter

### INCOME AND EXPENSE STATEMENT

Applicant's Name:

Multiple Entity:

Last Tax Return Year:

Detail Information	2007	2008	2009	2010	Average	Pro Forma
<b>FARM INCOME</b>						
Net Purchased L.S. & other:	0	0	0	0	0	0
Raised Farm Products:	1,614,150	2,031,000	1,810,000	1,810,000	1,818.38	1,850,000
Cooperative Distributions:	0	0	0	0	0	0
Ag Program Payments:	58,000	58,000	50,000	50,000	54.66	50,000
CCC Loans:	0	0	0	0	0	0
Crop Insurance:	0	0	0	0	0	0
Custom Hire:	0	0	0	0	0	0
Other Income A:	375,000	375,000	400,000	383.33	0	0
Other Income B:	0	0	0	0	0	0
Income From New Property:						250,000
Eliminations on consolidation:	0	0	0	0	0	0
<b>Gross Farm Income</b>	<b>2,047,150</b>	<b>2,462,000</b>	<b>2,260,000</b>	<b>2,256,383</b>	<b>2,156,383</b>	<b>2,150,000</b>
<b>FARM EXPENSES</b>						
Car & Truck:	10,200	18,000	21,000	18.40	18,400	
Chemicals:	90,000	109,000	121,000	106.00	126,000	
Conservation:	0	0	0	0	0	0
Custom Hire:	0	0	0	0	0	0
Depreciation:	241,237	287,389	207,648	245.42	220,000	
Employee Benefit:	0	0	0	0	0	0
Feed:	12,000	8,900	0	6.90	0	
Fertilizer:	165,000	192,000	203,000	186.66	210,000	
Freight:	70,596	76,000	81,000	75.86	82,000	
Gasoline, Fuel:	56,000	63,000	79,000	66.00	69,000	
Insurance:	84,700	64,000	76,600	74.70	75,000	
Interest - Mortgage/Non-Current:	125,678	121,312	116,792	121.22	311,696	
- Other Interest/Current:	44,790	50,000	42,694	45.82	12,500	
<b>Total Interest</b>	<b>170,468</b>	<b>171,312</b>	<b>159,486</b>	<b>167.05</b>	<b>324,196</b>	

This is the proforma income and expense statement. In this example there are three entities so it is the consolidated income and expense proforma. Ag Power will automatically consolidate all of the entities information from the seperate Income and Expense Tabs into this Consolidated Income and Expense Tab. AgPower also adds a "Proforma" column. The proforma column needs to be completed for Full Underwrite and AgEquity loans. This column should be based on a typical year for the operation or reflect the estimated income and expenses moving forward if there was a new purchase or similar transaction. The proforma projections should be supported by the historical information or sufficient reasoning provided.

<b>Total Farm Expenses</b>	2,099,850	2,234,451	2,136,554	2,156,953	1,990,392
<b>NET FARM INCOME</b>	-52,700	227,549	123,446	99,430	159,608
<b>NON-FARM INCOME</b>					
Salaries:	60,000	60,000	60,000	60,000	0
Interest income:	25,195	21,883	28,500	25,193	30,000
Dividends:	16,000	16,000	10,285	14,095	12,000
Business Inc. (Sch C):	0	0	0	0	0
Capital Gain/Loss (Sch D):	-15,000	-3,500	21,900	1,133	3,000
Other Gains/Loss (4797):	0	85,340	0	28,447	0
Rental Income (Sch E):	-96,610	119,441	93,355	38,729	-10,000
Other Non-Income A:	9,600	12,000	12,000	11,200	12,000
Other Non-Income B:	0	0	10,000	3,333	10,000
Other Non-Income C:	0	0	0	0	0
<b>Eliminations on consolidation:</b>	-31,887	178,116	120,680	88,303	0
				93,627	57,000
				193,257	216,608

<b>Schedule K-1</b>		<b>2010</b>		Final K-1		Amended K-1		b531130	
(Form 1065)		For calendar year 2010, or tax year beginning _____, 2010		Partner's Share of Current Year Income, Deductions, Credits, and Other Items		1065-1000		1065-1000	
Department of the Treasury		year ending _____, 2010		1 Ordinary business income (loss)		18 Credits			
<b>Partner's Share of Income, Deductions, Credits, etc.</b>		See separate instructions.		2 Net rental real estate income		3 Other net rental income (loss)		16 Foreign transactions	
<b>Information About the Partnership</b>		4 Guaranteed payments		5 Interest income		6a Ordinary dividends		6b Qualified dividends	
A Partnership's employer identification number		11-2222222		7 Royalties		8a Net long-term capital gain (loss)		17 Alternative minimum tax (AMT) items	
B Partnership's name, address, city, state, and ZIP code		MAC LAND LLP		9a Collectibles (28%) gain (loss)		9b Unrecaptured section 1250 gain		18 Tax exempt income and	
C IRS Center where partnership filed return		ODGEN, UT		10 Net section 1231 gain (loss)		19		20	
D Check if this is a publicly traded partnership (PTP)				11		12		13	
<b>Information About the Partner</b>		14 Partner's identifying number		15 Partner's name, address, city, state, and ZIP code		16		17	
E Partner's name, address, city, state, and ZIP code		MAY FARMER		18		19		20	
F Partner's name, address, city, state, and ZIP code		MAY FARMER		19		20		21	
G Partner's name, address, city, state, and ZIP code		MAY FARMER		20		21		22	
H Partner's name, address, city, state, and ZIP code		MAY FARMER		21		22		23	
I Partner's name, address, city, state, and ZIP code		MAY FARMER		22		23		24	
J Partner's name, address, city, state, and ZIP code		MAY FARMER		23		24		25	
K Partner's name, address, city, state, and ZIP code		MAY FARMER		24		25		26	
L Partner's name, address, city, state, and ZIP code		MAY FARMER		25		26		27	
M Partner's name, address, city, state, and ZIP code		MAY FARMER		26		27		28	
N Partner's name, address, city, state, and ZIP code		MAY FARMER		27		28		29	
O Partner's name, address, city, state, and ZIP code		MAY FARMER		28		29		30	
P Partner's name, address, city, state, and ZIP code		MAY FARMER		29		30		31	
Q Partner's name, address, city, state, and ZIP code		MAY FARMER		30		31		32	
R Partner's name, address, city, state, and ZIP code		MAY FARMER		31		32		33	
S Partner's name, address, city, state, and ZIP code		MAY FARMER		32		33		34	
T Partner's name, address, city, state, and ZIP code		MAY FARMER		33		34		35	
U Partner's name, address, city, state, and ZIP code		MAY FARMER		34		35		36	
V Partner's name, address, city, state, and ZIP code		MAY FARMER		35		36		37	
W Partner's name, address, city, state, and ZIP code		MAY FARMER		36		37		38	
X Partner's name, address, city, state, and ZIP code		MAY FARMER		37		38		39	
Y Partner's name, address, city, state, and ZIP code		MAY FARMER		38		39		40	
Z Partner's name, address, city, state, and ZIP code		MAY FARMER		39		40		41	

MAC Farmer from MAC Operations  
\$11,058

MAC Farmer from MAC Land  
\$54,811

May Farmer from MAC Land  
\$54,811

**= \$120,680**

Also added on this tab are elimination rows. If there is income that needs to be eliminated on the consolidated statement, do so in these rows. For example, income that flows through to the individuals from the Mac Operations and Mac Land via the K-1s would need to be eliminated upon consolidation if these entities are borrowers on the loan request. Here we can see the income coming to Mac Farmer from Mac Operation, the income coming to Mac Farmer from Mac Land and the income coming to May Farmer from Mac Land. This income is already captured under Farm Income from these entities so the total is eliminated.

Cash Flow Coverage						
TOTAL PRE-TAX INCOME	-21,628	362,597	238,806	193,257	180,905	
<b>Plus Adjustments:</b>						
Farm Depreciation	241,237	287,389	207,548	245,420	220,000	
Non-Farm Depreciation:	15,385	87,385	15,385	39,385	15,385	
Farm Current/Non-Current Int. (F)	170,300	171,312	159,480	167,056	324,198	
Non-Farm Non-Curr. Interest (C,E)	36,000	35,000	33,600	34,867	32,400	
Capital Lease Payments:	0	0	0	0	0	
Other Plus Adjustment:	0	0	0	0	0	
<b>Minus Adjustments:</b>						
Income & FICA taxes:	0	63,000	26,205	29,735	20,000	
Family Living:	45,000	45,000	45,000	45,000	45,000	
Non-Recurring:	0	85,340		28,447	0	
Other Minus Adjustment:	0	0	0	0	0	
<b>CASH FLOW AVAILABLE:</b>	<b>396,360</b>	<b>750,343</b>	<b>583,720</b>	<b>576,807</b>	<b>707,895</b>	
TOTAL ANNUAL P&I:	465,510	465,510	465,510	465,510	601,213	
ANNUAL CAPITAL LEASE PAYMENTS:	0	0	0	0	0	

Total Annual Principal And Interest Summary					
	Balance	Rate (%)	Accrued Interest	Annual Total Interest	Annual Total Principal
Average Outstanding Op. Line and Rate	250,000	5.00		12,500	
TOTAL FARM NON-CURRENT P&I, ACCRUED INTEREST			18,598	311,695	224,618
TOTAL NON-FARM NON-CURRENT P&I, (excluding tax Schedule A, P&I)				32,400	22,000
TOTAL ANNUAL P&I (REQUIRED CASH FLOW)					601,213
Save Balance and Rate		Print Document			

At the bottom of the Consolidated Proforma Income and Expense Tab is the Cash Flow Coverage. This area presents the consolidated Pre-Tax income and has lines for other plus or minus adjustments, resulting in the Cash Flow Available Line.

The Proforma Total Annual P&I autofills from the BS(a) Proforma, in this case the Consolidated BS(a) Proforma.

	2008	2009	2010	Average	Pro Forma
CASH FLOW AVAILABLE:	396,360	750,343	583,720	576,807	707,885
TOTAL ANNUAL P&I:	465,510	465,510	465,510	465,510	555,510
ANNU. CAPITAL LEASE PAYMENTS:	0	0	0	0	0
	0	0	0	0	0
TOTAL CASH FLOW REQUIRED:	465,510	465,510	465,510	465,510	555,510
Excess Cash Available:	-69,150	284,833	118,210	111,297	152,375
Pro Forma Total Debt Coverage:	1.05	1.61	1.55	1.54	1.63
TDC Shock 3%:					1.14
TDC Shock 5%:					1.07
Comments:					

Here we can see the consolidated Cash Flow Available for the previous three years, the three year average and the proforma projections. If the average is significantly less than the proforma then a detailed explanation will be needed to support this difference. In addition if there is significant variability in the cash flow available, this will need to be explained.

As mentioned earlier here is where the debt service is entered. The proforma P&I value is carried back historically on all Fast Track loans. It also is carried back for non-growing operations. This demonstrates whether the operation historically generated enough excess cash flow to service the post-close debt. For growing operations, the historical P&I information can be overwritten with the actual historical figures for those years or with the debt service from the current balance sheet.

Finally we see the Total Debt Coverage Ratio calculations. For Full Underwrite and AgEquity loans the proforma TDC figure is used. For loans with a product of a 3 year ARM or less, the loan must meet TDC after the Rate Shock.



## Subsidiary Analysis Tab




## Subsidiary Analysis Tab

- Needs to be completed for non-obligor subsidiary entities the borrowers have greater than 10% interest in.
- Helps determine if the non-obligor subsidiary entities are viable as a stand alone entities or require financial assistance from the borrowers. Helps give a global picture of the borrowers
- To complete the tab you will need a current balance sheet and the most recent tax return


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Borrower: MAC LAND LLP



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<b>Subsidiary Analysis</b>	Loan Summary	UW Ratio	Communication/Attach	Appraisal	UW Analysis	Products Option	Instruction Letter

**Subsidiary Analysis**

Application ID: DC-110011      Total Number of Subsidiary Entities: 1

**Entity Names**

Borrower(S): MAC LAND LLP - MAC OPERATIONS INC - MAC FARMER - MAY FARMER -

Entity 1 Name: M&M INVESTMENTS LLC      Tax ID: 68-0323775

The Subsidiary Analysis tab needs to be completed when the Farmer Mac applicants have at least 10% ownership interest in a non-obligor subsidiary entity. To complete the Subsidiary Analysis tab for the outside entity you will need the most recent tax return including all Schedule K-1 forms, current market value balance statement and the debt service associated with the entity. To get started, select the total number of entities from this drop down menu. AgPower will then automatically add the selected number of columns, you must click Edit at the bottom of the screen before you can type in the fields added. For this loan there is only one subsidiary entity, however AgPower can handle up to 70 subsidiary entities. Enter the entities name in these fields corresponding to the correct column.



**Subsidiary Analysis**  
Application ID: DC-110011 Total Number of Subsidiary Entities: 1

**Entity Names**  
Borrower(S): MAC LAND LLP - MAC OPERATION INC - MAC FARMER - MAY FARMER -  
Entity 1 Name: M&M INVESTMENTS

**Balance Sheet** Borrowers Entity % Ownership Consolidation  
BS Date: 12/31/2010  
Ownership(%): 100 80.00  
Current Assets: 492,216 0 492,216  
Current Liabilities: 5.34 0 5.35  
Total Assets: 18,692,766 975,382 19,473,000  
BS Elm on Con: 27,757  
Total Liabilities: 5,832,567 540,695 6,385,121  
Net Worth: 12,860,199 34,686 12,860,199  
Debt/Asset Ratio: 0.31 0.36 0.34  
Ownership Wt of Entity: 12,860,199 27,757  
**Income Expense**  
InoExp Date: 12/31/2010  
Gross Farm Income: 2,150,000 0 2,150,000  
Farm Expense: 2,026,095 0 2,026,095  
Net Farm Income: 123,905 0 123,905  
Non Farm Income: 57,000 -21,801 39,559  
Depreciation: 235,365 53,103 277,867  
Interest: 356,595 54,686 400,353  
Leases: 0 0 0  
Income Tax: 20,000 0 20,000  
Living: 45,000 0 45,000  
InoExp Elm on Con: -17,441  
CFA: 707,885 86,000 793,885  
Debt Service: 601,213 82,000 683,213  
TDC: 1.18 1.05 1.19

**INTERMEDIATE ASSETS**  
Livestock - Breeding (H): 0 0 0  
Machinery and Vehicles (K): 1,093,000 0 1,093,000  
Other Non-Current Assets:  
Entity No Description Current Change Proforma  
3 MAC LAND LLP 0 0 0  
3 80 MAC OPERATIONS INC 0 0 0  
3 80 M&M INVESTMENTS 27,757 0 27,757  
Total Other Machinery/Vehicles: 27,757 0 27,757  
Other Investments:  
Entity No Description Current Change Proforma  
3 MAY IRA 85,000 0 85,000  
3 MAC ROTH IRA 165,000 0 165,000  
3 M&M INVESTMENTS LOAN 150,000 0 150,000  
Total Other Investments: 400,000 0 400,000  
Notes and Contracts Receivable (E): 0 0 0  
Less Current Portion Receivable (E): 0 0 0

Comments:  
Save Cancel

Lets go into more detail on completing the Subsidiary Analysis tab.

The borrower's column is automatically filled with information in AgPower. This is a consolidation of the three borrowers on the loan, Mac Land, LLP, MAC Operations, Inc. and Mac and May Farmer. The balance sheet numbers are autofilling from the Consolidated Proforma Balance Sheet and the income and expense numbers are autofilling from the Proforma Income and Expense. For a Full Underwrite loan AgPower uses the proforma numbers. For a Fast Track loan AgPower uses the average numbers.

The entity 1 column needs to be completed for the subsidiary entity, in this case M&M Investments. You enter the financial TOTALS and then enter the percentage ownership. Enter the date of the balance sheet.

The subsidiary analysis balance sheet must correspond to a source document. If the source document such as a tax return or separately prepared document. If the source document is cost check this box. Farmer Mac prefers to see market statements.

AgPower will automatically determine the borrowers share of the net worth. This figure must match the amount shown for this entity on the borrower's personal balance sheet.

The consolidated column automatically consolidates the entities based on ownership percentage.

There is a balance sheet elimination in the amount of the borrower's share of the net worth in this entity. This figure is double counted before the elimination as was already included in the borrower's net worth.

There is also an elimination on the income and expense. This elimination is for the K-1 income flowing through to the borrowers from M&M Investments' tax return. This income is already included in the borrowers income and expense.

**Subsidiary Analysis**

Application ID: DC-110011      Total Number of Subsidiary Entities: 1

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**Entity Names**

Borrower(S): MAC LAND LLP - MAC OPERATIONS INC - MAC FARMER - MAY FARMER -

Entity 1 Name: MAM INVESTMENTS LLC      Tax ID: 66-0323775

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**Balance Sheet**      Borrowers      Entity 1      Consolidation

BS Date: 12/31/2010

Cost BS: Market ☒

Ownership(%): 100      80.00

Current Assets: 2,627,009      10,816      2,635,662

Current Liabilities: 492,216      0      492,216

Current Ratio: 5.34      0      5.35

Total Assets: 18,602,768      10,816      18,613,584

BS Elm on Con: 27,757

Total Liabilities: 5,832,567      940,656      6,585,124

Debt: 12,800,199      34,999      12,835,198

Debt/Asset Ratio: 0.31      0.96      0.34

Ownership Wt of Class: 1.00

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**Income Expense**

Inc/Exp Date: 12/31/2010

Gross Farm Income: 2,150,000      0      2,150,000

Farm Expense: 2,026,095      0      2,026,095

Net Farm Income: 123,905      0      123,905

Non Farm Income: 57,000      -21,801      39,559

Depreciation: 235,365      53,103      277,867

Interest: 356,595      54,686      400,353

Leases: 0      0      0

Income Taxes: 20,000      0      20,000

Living: 45,000      0      45,000

Inc/Exp Elm on Con: -17,443

CFA: 707,885      86,000      794,131

Debt C: 666,813

TDC: 1.18      1.05      1.19

Comments:

AgPower also shows the Current Ratio, D/A and TDC for the borrowers, for the subsidiary entity and on a consolidated basis.



Questions?