Introduction to the Online Loan Application
Introduction

Meet Your Farmer Mac II Team

Judy

Riley
Meet Your Farmer Mac II Team

Judy

Riley
Introduction

Benefits of using the Online Loan Application

- Intuitive web user interface
- Electronic document submission
- Online document repository
- Reduced processing time
- Status Updates: Log in at any time to see the current status of a loan as it goes through full review and settlement
- 24-hour access: can submit or review loans outside of standard business hours
- Streamlined review process
- Reliable, secure database
- Centralized storage for documents and corrections
New Documentation Requirements

Current Doc Requirements
• Original Loan Guarantee
• Original Assignment of Guarantee
• Copy of Promissory Note
• 2 Original Sale Agreements

New Doc Requirements
• Copy of Loan Guarantee
• Original Assignment of Guarantee
• Copy of Promissory Note
Changes to the Settlement Process

- Collect all required documentation and **overnight** to Colson Services
  - *Upload all required documentation and only overnight the original Assignment(s) of Guarantee to Colson Services*
- Lender may receive calls from both Colson Services and Farmer Mac II for corrections or faxed a Preliminary Loan Approval Notice
  - *All required corrections will be listed on one form after a full review*
- Most corrected documents and/or letters must be faxed or emailed
  - *Corrections can now be uploaded directly into the loan record*
- Farmer Mac II forms require signature and must be faxed or emailed
  - *Almost all Farmer Mac II forms can be signed digitally with one click of a button*
- A loan that completes review with no errors may be queued for purchase without any further status updates (“No news is good news” system)
  - *Lenders can now view the progress of each loan being sold as well as be guided on required steps towards settlement*
While some things about the Settlement Process have been altered or simplified, the basic structure remains the same:

- Rate Locks **still** done by calling Farmer Mac II LLC and verbally locking a rate
- Deadlines have not changed:
  - Rate Locked loans have 4 weeks to deliver original(s) to Colson Services
  - Rate Locked loans should be prepared for review by their document delivery deadline, i.e. one week prior to the rate lock expiration date
  - Cash and rate lock loans that are completed and submitted for Farmer Mac II review by any given Friday are guaranteed to complete review in time for settlement on the **following Thursday**.
    - Loans will be reviewed on a first-come first-serve basis if they are submitted beyond that deadline, but we **cannot guarantee** a full review will be completed before the same week’s settlement
Farmer Mac II LLC is an operating subsidiary of the Federal Agricultural Mortgage Corporation (Farmer Mac). Established in 2009, Farmer Mac II LLC purchases the guaranteed portions of loans guaranteed by the United States Department of Agriculture under the Consolidated Farm and Rural Development Act of 1972.

Eligible USDA-guaranteed portions include Guaranteed Farm Ownership and Operating loans under the Farm Service Agency, Business and Industry and Community Facility Guaranteed loans under Rural Development.

The Farmer Mac II program provides financial institutions with an efficient and competitive secondary market for USDA guaranteed portions and enhances participants’ ability to offer innovative products to their customers.
## Online Loan Application: Accessing the Application

**FARMER MAC II LLC**
Secondary Market for USDA Guaranteed Loans

<table>
<thead>
<tr>
<th>Lender Access</th>
<th>Program Description</th>
<th>Products</th>
<th>Reference Guide</th>
<th>Historical COFI Rates</th>
<th>Investors</th>
<th>Secure Access</th>
</tr>
</thead>
</table>

### Farmer Mac II LLC - Rates

*Posted on: 7/3/2013 9:33 AM ET
Servicing Retained Net Yields*

<table>
<thead>
<tr>
<th>Product Types</th>
<th>Monthly Pay Cash</th>
<th>Monthly Pay 4-Week Rate Lock</th>
<th>Annual, S.A., &amp; Qtly Pay Cash</th>
<th>Annual, S.A., &amp; Qtly Pay 4-Week Rate Lock</th>
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<tbody>
<tr>
<td>Wall Street Journal Prime **</td>
<td>1.75%</td>
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<td>N/A</td>
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<td>Farmer Mac 3-Mo COFI</td>
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<td>Farmer Mac 5-Yr Reset COFI, 20, 25, 30-Yr Am</td>
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<td>2.87%</td>
<td>2.88%</td>
<td>2.97%</td>
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<tr>
<td>Farmer Mac 10-Yr Reset COFI, 20, 25, 30-Yr Am</td>
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<td>3.93%</td>
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<td>Farmer Mac 15-Yr Reset COFI, 20, 25, 30-Yr Am</td>
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<td>2.86%</td>
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<td>7-Yr Fixed Rate, 15-Yr Am</td>
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<td>3.40%</td>
<td>3.49%</td>
<td>3.50%</td>
<td>3.59%</td>
</tr>
<tr>
<td>15-Yr Fixed Rate, 15-Yr Am</td>
<td>3.78%</td>
<td>3.87%</td>
<td>3.88%</td>
<td>3.97%</td>
</tr>
<tr>
<td>15-Yr Fixed Rate, 25-Yr Am</td>
<td>4.17%</td>
<td>4.26%</td>
<td>4.27%</td>
<td>4.36%</td>
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<tr>
<td>20-Yr Fixed Rate, 20-Yr Am</td>
<td>4.18%</td>
<td>4.27%</td>
<td>4.28%</td>
<td>4.37%</td>
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</tbody>
</table>
Online Loan Application: My Loan Queue

ADD A NEW LOAN

My Loan Queue

Status: [All Loan Status]  Current/Archived Loans: [Current - 2013]

<table>
<thead>
<tr>
<th>Series Number</th>
<th>Loan Name</th>
<th>Loan Type</th>
<th>Loan Product</th>
<th>Principal Balance</th>
<th>Guaranteed Balance</th>
<th>Submitted Date</th>
<th>Loan Status</th>
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<tbody>
<tr>
<td>AK002-000001</td>
<td>Ratelock</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Draft</td>
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<td></td>
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<td></td>
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<td>Draft</td>
</tr>
</tbody>
</table>

Records 1 to 2 of 2
Online Loan Application:
Adding a New Loan

Description
Set up and submit a loan to settle on the next available settlement date. The loan will be priced after completion of a review which may result in an adjustment to the servicing fee.

What you need right now
On the next few screens you will be guided through submitting and uploading a complete, fully executed copy of all of the documents required for settlement – at a minimum, this will include the promissory note, loan guarantee, assignment of guarantee, promissory note and any note amendments.

You will also need to mail the original Assignment of Guarantee before we will be able to settle your loan.

Next Steps
1. Click on "Begin Loan Setup"
2. Enter all borrower and loan data
3. Upload all required documents
4. Overnight required original documentation as noted in the Documents section
5. Submit to Farmer Mac II for review
6. Digitally agree to the Farmer Mac II Sale Agreement and any additional agreements required for settlement

1 (FSA-2235, FSA-1980-27, RHS 4279-S or RD 449-24)
2 (FSA-2242, RHS 4279-S or RD 449-36)
3 Please note that any promissory note amendments must be accompanied by a letter of acknowledgement from a USDA/FSA Representative
Adding a New Loan: The Four Tabs

Loan Queue

Borrowers

Series Number: AK002-000013

Loan Name:

Benchmark:

Submitted As: Cash

Borrower List Add Borrower

SAVE & EXIT CONTINUE

FARMERMACII LLC
Secondary Market for USDA Guaranteed Loans
Adding a New Loan: “Borrowers” Tab

Loan Queue

Quick Search: [Search] [Return]

Borrowers Tab

Borrower List: Add Borrower

New Borrower

Borrower Type:
- Individual
- Company/Entity

Primary Borrower:
- Yes
- No

Borrower Name:
- Last:
- First:
- Middle:
- Suffix:

Same Address as:

Street:

City:

Zip:

State:

ADD

Cancel

SAVE & EXIT

CONTINUE

© 1L057-000031 Federal Agricultural Mortgage Corporation

FARMER MACII LLC
Secondary Market for USDA Guaranteed Loans
### Adding a New Loan: “Loan Data” Tab

<table>
<thead>
<tr>
<th>Lender Information</th>
<th>USDA Information</th>
<th>Promissory Note &amp; Modification</th>
<th>Promissory Note &amp; Modification (Adjustable Rate Loan Only)</th>
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<tbody>
<tr>
<td>FAMC Lender ID:</td>
<td>Government ID:</td>
<td>Note Type:</td>
<td>Reset Margin:</td>
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<tr>
<td>IL-057</td>
<td>0.000%</td>
<td>[Select Type]</td>
<td>[Select Adjust Frequency]</td>
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<tr>
<td>Authorized Contact:</td>
<td>Guarantee Percent:</td>
<td>Interest Accrual Basis:</td>
<td>First Interest Reset Date:</td>
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<tr>
<td>Tso, Tim</td>
<td>0.000%</td>
<td>Note Rate:</td>
<td>Payment Adjustment Type:</td>
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<tr>
<td>Email Address:</td>
<td>Original Principal Amount:</td>
<td>Amortization Date:</td>
<td>Reamortize:</td>
</tr>
<tr>
<td><a href="mailto:tim_tso@farmermac.com">tim_tso@farmermac.com</a></td>
<td>0</td>
<td></td>
<td></td>
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<td>FAMC Lender Name:</td>
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<td>Principal Payment Frequency:</td>
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<td>North Adams State Bank</td>
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<td>Interest Rate Type:</td>
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<tr>
<td>Phone Number:</td>
<td>Guaranteed Portion Balance:</td>
<td>Adjustable:</td>
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<td>217-964-2142</td>
<td>Guaranteed Portion to be Sold:</td>
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<td>USDA Loan Type:</td>
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<td>USDA Information</td>
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<td></td>
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<tr>
<td>Promissory Note:</td>
<td>[Select Index Type]</td>
<td>Level Payment:</td>
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<tr>
<td>Type:</td>
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<tr>
<td>Note Date:</td>
<td>[Select]</td>
<td>Fixed Principal Payment:</td>
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<tr>
<td>Maturity Date:</td>
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<tr>
<td>Interest Payment Frequency:</td>
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<td>Amortization Date:</td>
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<tr>
<td>Principal Payment Type:</td>
<td>Level Payment</td>
<td>Interest Accrual Basis:</td>
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<tr>
<td>Principal &amp; Interest Payment:</td>
<td>[Select]</td>
<td>Note Rate:</td>
<td></td>
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<tr>
<td>Interest Paid-to Date:</td>
<td></td>
<td>Amortization Date:</td>
<td></td>
</tr>
</tbody>
</table>

**SAVE & EXIT**

**CONTINUE**
Adding a New Loan: “Documents” Tab

Please upload each required document as a separate PDF file.

<table>
<thead>
<tr>
<th>Document Category</th>
<th>Document Title</th>
<th>Upload Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Select Category]</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

All required documents are uploaded

Save
Adding a New Loan: “Submit” Tab [Cash]

Loan Queue

Series Number: AK002-000007  Loan Name: Farmer  Benchmark: F070706  Submitted As: Cash

Important Message

Please enter wire information.

Wiring Instructions

Select from Previous [select previous instruction] ▼

SUBMIT LOAN
Adding a New Loan: “Submit” Tab [Rate Lock]

Important Message

This loan is ready to submit to Farmer Mac II LLC.
As soon as a Cash loan completes the “Submit” tab, it will be reviewed and scheduled for purchase. For Rate Lock loans, there are a few additional steps to take between locking a rate and the start of our final review:

1. Log in and accept the online Commitment to Purchase
2. Complete the “Loan Data” tab
3. Upload all remaining Documents in the “Documents” tab
Within one business day of a verbal Rate Lock, you will be greeted with the following screen confirming your rate lock information:
Rate Locks: Accepting the Commitment to Purchase

This is a sample Commitment to Purchase Confirmation as it appears after clicking “ACCEPT”

-It will now be available in the “Documents” tab for this loan

-It has been electronically signed by a Capital Markets manager and by the lender. No further hand-written signatures are required

-It is now generated ONLY for Rate Lock loans
# Review

## My Loan Queue

<table>
<thead>
<tr>
<th>Series Number</th>
<th>Loan Name</th>
<th>Loan Type</th>
<th>Promissory Note Date</th>
<th>Loan Product</th>
<th>Principal Balance</th>
<th>Guaranteed Balance</th>
<th>Submitted Date</th>
<th>Loan Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>DC001-000001</td>
<td>Borrower</td>
<td>Cash</td>
<td>03/27/2013</td>
<td>20-Yr Fixed Rate, 20-Yr Am</td>
<td>$100,000.00</td>
<td>$50,000.00</td>
<td>05/03/2013</td>
<td>Under Review</td>
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<tr>
<td>F14781</td>
<td>Borrower</td>
<td>RateLock</td>
<td>03/27/2013</td>
<td>7-Yr Fixed Rate, 7-Yr Am</td>
<td>$200,000.00</td>
<td>$180,000.00</td>
<td>05/03/2013</td>
<td>Committed</td>
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<tr>
<td>L0J7-000029</td>
<td>Farmer</td>
<td>RateLock</td>
<td>03/27/2013</td>
<td>7-Yr Fixed Rate, 7-Yr Am</td>
<td>$300,000.00</td>
<td>$450,000.00</td>
<td>06/08/2013</td>
<td>Submitted</td>
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<tr>
<td>F14780</td>
<td>Zheng</td>
<td>RateLock</td>
<td>03/27/2013</td>
<td>7-Yr Fixed Rate, 7-Yr Am</td>
<td>$150,000.00</td>
<td>$135,000.00</td>
<td>08/07/2013</td>
<td>Ready for Purchase</td>
</tr>
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</table>
During Review: “Summary” Tab

The submitted Loan Package is currently under review. Please deliver required original(s) to Colson Services.

**Series Number:** DC001-000001  **Loan Name:** Borrower  **Benchmark:** F202001  **Submitted As:** Cash

**Status**

**DC001-000001 (Record: 1 of 94)**  
**Next (F14781)**

**Loan Submission/Rate Lock**
- **Created By:**  
  - Judy Moyer on 9/3/2013  
- **Submitted By:**  
  - Judy Moyer on 9/3/2013  
- **Cash Submission:**  
  - Judy Moyer on 9/3/2013

**Loan Review**
- **Completed By Colson:**  
  - Under Colson Review  
  - Judy Moyer on 9/3/2013
- **Completed By Farmer Mac II LLC:**  
  - Under Farmer Mac II LLC Approval Process.

**Purchase**
- **Approved By Farmer Mac II LLC:**  
  - Under Loan Review Process.

**FARMErMACII LLC**
Secondary Market for USDA Guaranteed Loans
During Review: “Communication” Tab

Communication Log

9/5/2013 10:04:11 AM - Judy Mayo
Lender,

This loan is still going through our review. I noticed while reviewing that this note had a payment scheduled for the first of this month. Has this payment been applied to the loan?

-Farmer Mac II Reviewer

New Message

Farmer Mac

The 9/1/13 payment has not yet been made. Thank you!

SEND MESSAGE
After Review:
Outstanding Issues

The Loan is scheduled for settlement on 9/12/2013; However additional documentation is required to complete the settlement process. Please refer to the Loan Review Results in the Documents section.
After Review:
Outstanding Issues
After Review:

“Purchase” Tab

<table>
<thead>
<tr>
<th>Series Number: S0001</th>
<th>Loan Name: Wasden</th>
<th>Benchmark: F070712</th>
<th>Submitted As: RateLock</th>
</tr>
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</table>

Prev (F14774) | S0001 (Record: 8 of 13) | Next (F14773) |

**Anticipated Settlement Date:**

Select from Previous [select previous instruction] | Select a Date

- 8/22/2013
- 8/29/2013
- 9/5/2013
- 9/12/2013
- 9/19/2013
- 9/26/2013

**Wiring Instructions**

There are no documents currently assigned.

**Additional Settlement Documentation**
• Q: I submitted my loan a few days ago, but I have yet to hear back from Farmer Mac II.

• A: Please verify that the loan has been submitted. Under “My Loan Queue”, find the loan in question, and make sure the status does not say “Draft”. If it does, it means the loan has not been submitted. If it says “Submitted”, you may contact us at (877) 770-3644.
• Q: Why do I not have a Commitment to Purchase Confirmation for my Cash loan?

• A: Commitments to Purchase are no longer generated for Cash loans. A summary of the terms of sale can be found on Schedule I of the Sale Agreement.
FAQ: Addresses?

• Q: What address do I send documents to? What address goes on my Assignment of Guarantee?

  – Most settlement-related documents should be sent to our Loan Administrator. Your original Assignment of Guarantee must be overnighted to the following address:

    **Colson Services Corp.**
    Farmer Mac II Department
    101 Barclay Street
    8th Floor East
    New York, NY 10286
    Attn: David Scott (phone: 212-815-4125)

  – Farmer Mac II LLC is the **holder** of the guaranteed portion. Where the Assignment of Guarantee document asks for the Holder’s name and mailing address, this should read:

    **Farmer Mac II LLC**
    1999 K Street NW, 4th Floor
    Washington, DC 20006
FAQ: Digital Signatures?

- Q: I have clicked “Accept” on a document generated by the Online Loan Application. My name now appears on that document—do I need to sign this as well?

- A: When you click an “Accept” button for a Sale Agreement, Commitment to Purchase, or correction document, you are digitally signing that document. Your name and title will appear on the signature line within that PDF file, which serves as your legally binding acceptance of that document. You do not need to apply a handwritten signature to these documents.
FAQ: Grayed out Boxes?

• Q: Why am I unable to make or save changes to certain fields on the “Loan Data” tab?

• A: Any grayed out fields are locked and cannot be edited. Certain fields will be grayed out after a Rate Lock, and all fields will be locked during Farmer Mac II’s review. If you see any information that needs to be changed, please contact Farmer Mac II on the loan’s Communication tab.

Please note: Alterations to terms that have already been committed during a Rate Lock may require specific approval or additional fees. (refer to your Commitment to Purchase)
FAQ: Pop-Ups?

- Q: When I click on a link to access the system or download a pdf document, nothing happens. Is something wrong?

- A: The Online Loan Application will always attempt to open in a new window (pop-up). Your browser may have a pop-up blocker turned on that attempts to prevent this from happening. If you see an error message on your screen, follow the instructions for your browser to allow pop-ups.
Q: I’ve sold loans to Farmer Mac II LLC in the past, and I usually receive a package of documents by mail from Colson Services Corp. shortly after a loan settles. Why haven’t I been mailed anything after my most recent settlement?

A: We are no longer sending out post-settlement packages, which included an original, countersigned Sale Agreement and a copy of the fully executed Assignment of Guarantee. The completed Sale Agreement and a copy of the completed Assignment of Guarantee will instead be found on the Online Loan Application under that loan’s “Documents” tab.
A more in-depth PowerPoint guide is also available in our online Reference Guide.

Covers additional topics including:

- Guide for Account Managers to manage users’ access to the app and rate lock rights
- Step-by-step coverage of both cash and rate lock procedures
- Additional FAQs
Thank You!

Any Questions?