



The Farmer Mac *Forward* is a quarterly newsletter for our network of approved lenders that communicates important changes to the Seller/Service Guide and loan programs, as well as upcoming events and announcements. If you have any questions about the information in this volume, please contact our Client Services team at 866.452.2617 or [clientservices@farmermac.com](mailto:clientservices@farmermac.com).

---

## ***Seller/Service Guide Updates and Announcements*** ***Changes to Guide – Effective February 2019***

On February 1, we made several updates to the Seller/Service Guide (SSG). A summary of all changes is listed in the Update Log, located at the end of the [Guide](#). Please familiarize yourself with these important updates and contact a member of your dedicated Farmer Mac team with questions. A few of the changes include:

- Added Chapter 209 to introduce our newest program, AgXpress (more details about AgXpress [below](#))
- Maximum loan size for loans secured by 1,000 acres or more has been increased to \$13.1 million (formerly \$12.9 million)
- Expanded information on water rights and introduced the Groundwater Compliance Certificate and Indemnity Agreement
- Replaced the Irrigation and Drainage Supplement (Form 1013A) with the new Agricultural Water Supply Questionnaire (Form 1020)

Supporting documents, including Collateral Valuation Supplement and the Comment and Guidance on Collateral Valuation Report Forms have also been updated to reflect all changes. These materials can be found within the [Resource Library](#).

A current copy of the SSG and all agreements/forms/templates are located at [www.efarmermac.com](http://www.efarmermac.com) within the [Resource Library](#).

## **Important Updates**

### **AgXpress<sup>SM</sup> – Launching Soon!**

We are excited to introduce our AgXpress program! This new underwriting option is designed to simplify the ag real estate loan application process and deliver a faster credit decision to the lender (you!) and your borrowers. This program allows you to bypass many traditional loan onboarding requirements and reduce the time needed to submit a loan. AgXpress and all of its benefits will be available to all of our Farm & Ranch customers on March 1! Contact your relationship manager to learn more!



### **Action Required. Software/Security Update**

A security update to [www.efarmermac.com](http://www.efarmermac.com) and all of its underlying loan processing systems took place on Monday, January 21. Because the update could potentially impact access to the site(s), we encourage you to [CLICK HERE](#) to read the full notice sent on January 14, and the steps that should be taken to avoid disruption in service.

### **2019 Rural Home Loan Moderately Priced Housing Value**

Effective January 1, 2019, the Farmer Mac Rural Home Loan Moderately Priced Value increased to \$320,000. Please [CLICK HERE](#) to see past values.

### **Farmer Mac Central Servicer, Formerly Known as CGB, Rebrands**

In August, a Farmer Mac Central Servicer, CGB Enterprises, Inc, rebranded themselves AgriFinancial, a subsidiary of CGB Enterprises. Its logos and materials have changed; however, Farmer Mac's relationship with AgriFinancial (formerly CGB) remains the same.

### **Eligibility and Credit Guideline Improvements**

Good News! On January 1, 2019, the maximum loan size for loans secured by 1,000 acres or more increased to \$13.1 million.

As a reminder, effective October 1, 2018, Farmer Mac raised the loan-to-value (LTV) ratio to 70% for all Full Underwrite Farm & Ranch Loan Purchase submissions across all states. Previously, a 60% maximum LTV was required on properties within the following states: ND, SD, MN, IA, IL, IN, OH, MO, and NE. Loans with an LTV between 60% - 70% must still have a pro forma total debt coverage ratio of 1.50, or greater and no exceptions to debt-to-asset and current ratios.

Updated versions of the Underwriting Matrix and Training Kit can be accessed at [www.efarmermac.com](http://www.efarmermac.com) within the [Resource Library](#). To request hard copy replacement inserts for your Training Kit, please email Client Services at [ClientServices@farmermac.com](mailto:ClientServices@farmermac.com).

## ***Calculating Payments – Did You Know?***

Farmer Mac follows a specific payment schedule that is determined based on the product used and the month in which the loan closes. But what you might not know is that the AgPower system assumes the loan will be purchased in the same month the rate lock expires. While sometimes that occurs, it isn't always the case. In those instances when the loan will be purchased in a different month than the rate lock expiration, be sure to adjust the first interest and first principal payment dates to ensure that the correct payment schedule is followed. When preparing your closing documents, please refer to Farmer Mac's Payment Schedule Guide, which is available at [www.efarmermac.com](http://www.efarmermac.com) within the [Resource Library](#). This helpful guide outlines everything you need to ensure a correct first payment and due date.

## ***Dave's GPS***

### ***Keep Up with Dr. Kohl through Farmer Mac***

Be sure to visit [www.farmermac.com](http://www.farmermac.com) to read Dr. Kohl's bi-monthly report, Dave's GPS, where he discusses relevant topics for ag bankers. Along with Dave's GPS, see Dr. Kohl's "Dashboard" for his assessment of today's global and domestic economics. His latest article can be found here: [Dave's GPS and Dashboard](#)

Dave's GPS and Dashboard is written by Dr. Dave himself, exclusively for Farmer Mac! The next article is coming out later this month. Follow Farmer Mac on [Facebook](#), [LinkedIn](#), or [Twitter](#) to be first to know when it has been published!



## ***News and Events***

### ***The Feed – Spring 2019 – Coming Soon!***

The Feed, Farmer Mac's quarterly perspective on agriculture, is a must-read for all ag lenders and their farm customers. This concise publication combines the most relevant research from trusted agricultural resources, and the insightful commentary and analysis from Farmer Mac's own team of experts into a single, reliable source in an easy-to-consume format. And it's FREE!

The spring 2019 issue of The Feed is scheduled to launch in late February, but the winter 2018/2019 issue is available. To subscribe to The Feed and to view prior editions, please [CLICK HERE](#)

## ***Schedule of Events***

**Feb. 10-13** [ABA National Conference for Community Bankers ABA](#); San Diego, CA\*

**Feb. 12-14** [World Ag Expo - International Agri-Center](#); Tulare, CA

**Feb. 28** [Farmer Mac and ABA Partner-on-the-line Webinar: AgXpress Unveiled\\*](#)

**Mar. 7-8** [Ag Bankers Conference - Kansas Bankers Association](#); Manhattan, KS\*

**Mar. 18-22** [National Convention – ICBA](#); Nashville, TN\*

**Mar. 20-22** [Ag Bankers Conference - Montana Bankers Association](#); Bozeman, MT

\*Farmer Mac hosted event or speaking engagement. Click on link for additional information.

## ***In Case You Missed It***

### ***AgXpress Unveiled – Webinar Recording***

Can't wait until March 1 to hear about AgXpress? Listen to this recorded session to learn about our program. Find out what ag loans qualify for the program, why this option is better than traditional loan submission methods, and how you will be able to submit an AgXpress loan. To listen to the recording [CLICK HERE](#).

### ***Dr. Dave Kohl: The State of Ag & Ag Lending in 2019 – Webinar Recording***

Couldn't make it to the live webinar with Dr. Kohl? Listen in to this recorded session to find out what Dr. Kohl thinks about the state of agriculture and ag lending in 2019. During this information-packed

webinar, he discussed producer and lender perspectives on the current economic environment, global economics, the state of the U.S. economy, and interest rates. To listen to the recording [CLICK HERE](#).

### ***Farmer Mac – In The News***

Farmer Mac is proud to be featured in various ag banker and producer publications! See below for recent articles and interviews featuring Farmer Mac team members. Visit the [In The News](#) section of our website to read more.

Feb. 4, 2019: ABA Banking Journal – [Game Changers in Farm Banking](#)

Jan. 25, 2019: The News-Review – [Economist predicts strong 2019 for Northwest agriculture](#)

Jan. 22, 2019: Capital Press – [NW Ag Show: Farmer Mac economist analyzes regional outlook](#)

Jan. 15, 2019: AgInfo.net – [Fruit Grower Report](#)

Jan. 10, 2019: DairyBusiness – [Experts concerned about 2019 ag economy](#)

Jan. 8, 2019: AgInfo.net – [Washington State Farm Bureau Report](#)

Jan. 3, 2019: Capital Press – [Seminars cover wide field of key topics](#)