



## *Farmer Mac Refresh: AgPower Training & Resources*

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### *Today's Presenters*

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## *Let's Review...*

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- Preparing for AgPower
  - *New training resources available!*
- Using AgPower
  - *Live demonstration*
  - *Tips for smoother onboarding*
- Resources & Client Service Support
  - *Start to finish....one-on-one training!*



***Preparing for AgPower***

## Request a Training Kit



### START HERE

Ready to submit a loan and don't know where to begin? We've got you covered.

Lean on us to help get you started. Call Client Services at 866.452.2617 for specialized training.

All guides and reference materials are located within the Resource Library at [efarmermac.com/Resource](http://efarmermac.com/Resource)

Review the Seller/Servicer Guide for a complete description of all obligations.

### FARM & RANCH PROCESS OVERVIEW

#### FARMER MAC

Here's a list of the major activities involved in selling a Farm & Ranch loan to Farmer Mac.

- 1. REVIEW** Product Guide, Underwriting Matrix, and Daily Rate Sheet to assess product interest and eligibility.
- 2. GATHER** the required information according to the **Application Checklist**. Include a **capitalized Narrative** with your application package to ensure prompt turnaround times.
- 3. COMPLETE** a new application in AgPower and upload supporting documents using your assigned login. Access AgPower at [www.efarmermac.com](http://www.efarmermac.com). Contact Client Services for assistance.
- 4. RECEIVE** a credit decision generally within two business days. Access your Preliminary Loan Approval Notice within the AgPower queue under "Documents".
- 5. ORDER** an appraisal and preliminary title report according to the **Appraisal and Title Guides**.
- 6. SUBMIT** appraisal and title reports under "Documentation/Attachment" tab within AgPower. Ensure the reports meet the terms of engagement and that all loan requirements.
- 7. RECEIVE** the Conditions Prior to Funding via AgPower, once Farmer Mac has reviewed the appraisal and title work. Farmer Mac issues a Closing Instruction Letter to your assigned Central Servicer (CS), who will coordinate closing activities with you.
- 8. RATE LOCK** by calling the Rate Lock Desk at 800.879.3276 between 10 a.m. – 3 p.m. E.T., referring to the Rate Lock Guide for instructions. **Hold the Preliminary Loan Approval Notice** nearby when rate locking.
- 9. ASSEMBLE** closing documents, which may be prepared by your organization, through an attorney or through FPMCS Inc. ([fpmcs.com](http://fpmcs.com)), according to the Closing Guide. Complete the "Purchase Request" tab in AgPower two business days prior to loan funding. Work with the Central Servicer to review documents, coordinate closing, and finalize loan portfolio.
- 10. PERFORM** field servicing duties, which may include monitoring taxes and insurance, property inspections, filing UCC contributions, and collecting annual financials, as described in the Field Servicing Guide. Central Servicer will bill and collect payments, remitting field servicing fees to you as payments are received.



## Get Familiar

- Review Underwriting Matrix and Product Guide
- All training materials located in the Resource Library at [efarmermac.com](http://efarmermac.com)

### GET THE SPECS

### FARM & RANCH UNDERWRITING

### WHAT'S OFFERED

### FARM & RANCH PRODUCT GUIDE

#### FARMER MAC

##### PREPAYMENT OPTIONS AND SCHEDULES

Products are fully pre-payable without penalty, except the 5-year VRM.

Any payment made other than on a regularly scheduled installment date (i.e. payment date) must be accompanied by pre-paid interest to the next installment date.

Special principal payments must be received on or before the scheduled payment date and will only be applied after the scheduled payment amount has been satisfied.

Monthly, semi-annual, and annual payment options available on most products:

- Annual payments due on January 1st.
- Semi-annual payments due on January and July 1st.
- Monthly payments due on the 1st of each month.
- Semi-annual payments.

Farmer Mac offers a wide menu of product options with various amortizations and maturities. Let's break it down. Your loan product options include:

##### Fixed Rate Mortgages

10, 15, 20, 25, & 30-year fixed terms, fully amortized.  
7-year fixed term: 15 or 25-year amortization.  
15-year fixed term: 25-year amortization.

##### Adjustable Rate Mortgages (ARM)

Adjustable LIBOR  
Revolving line of credit tied to real estate, 5 or 10-year draw option.  
Index - 30-day LIBOR as published in the Wall Street Journal, rate adjusts monthly.

1 Month ARM: 15-year maturity, 15 or 25-year amortization.  
Index - 30-day LIBOR, rate adjusts every month, or  
Index - 1-month PRIME, rate adjusts every month.

1, 3, & 5-year ARM: 15-year maturity, 15 or 25-year amortization.  
Index - Constant Maturity Treasury (CMT), rate adjusts 1, 3, & 5-years respectively.

7/1 & 10/1 ARM: 15-year maturity, 15 or 25-year amortization.  
Index - 1-year LIBOR, rate adjusts annually after the initial 7 or 10-year period.  
See Product Descriptions for index and reset margin information.

##### Variable Rate Mortgages (VRM)

5-year VRM: 10, 15, 20 or 25-year maturity and amortization.  
Index - Farmer Mac Cost of Funds, rate adjusts every 5 years.  
This specific product carries a prepayment penalty.

10-year VRM: 15, 20, 25 or 30-year maturity and amortization.  
Index - Farmer Mac Cost of Funds, rate adjusts every 10 years.

15-year VRM: 20, 25 or 30-year maturity and amortization.  
Index - Farmer Mac Cost of Funds, rate adjusts every 15 years.

See Product Descriptions for index information.

Loan Program	Fast Track	Full Underwrite	Full Underwrite	AgEquity RLOC
Eligible Pricing Type	Choice	Standard	Choice	Standard
Total Debt Coverage	≥ 1.00 for 2 year average	≥ 1.25	≥ 1.50	≥ 1.35; must meet TDC after 3% rate shock
Current Ratio	≥ 1.00	≥ 1.25	≥ 1.50	≥ 1.25
Debt to Asset	≤ 40%	≤ 50%	≤ 40%	≤ 50%
Loan to Value	≤ 55%	≤ \$5 mil: < 70%* > \$5 mil: 60%	≤ 60%	≤ 50%
Credit Score	≥ 720		≥ 680	
Loan Size	≤ \$1.5 mil	≤ 1000 acres: \$50.0 mil > 1000 acres: \$12.6 mil		Minimum: \$50,000 Maximum: \$12.6 mil
Cash-Out Limitation	N/A	≤ 25%; unlimited cash out if amortization is 15 years or less and LTV is less than 60%.		Allowed if not for consumer purpose.
Recent Tax Returns	2 years			Minimum 3 years; 4 years alternate bear

## Assemble the Information

- Refer to the Application Checklist
- Did you know we have a Narrative Template?

Application Checklist	Full Underwrite	Fast Track
1. Detailed Narrative (analysis of character, capital, capacity, collateral & condition)	<input type="checkbox"/>	<input type="checkbox"/>
2. Credit Report with credit score on each applicant	<input type="checkbox"/>	<input type="checkbox"/>
3. Current market value balance sheet(s) with schedules (including debt schedule) > input in AgPower	<input type="checkbox"/>	<input type="checkbox"/>
4. Pro forma balance sheet and schedules (including debt schedule) > input in AgPower	<input type="checkbox"/>	<input type="checkbox"/>
5. Previous three years (market value preferred, cost basis accepted) balance sheets and schedules > input & upload in AgPower	<input type="checkbox"/>	N/A
6. Tax Returns/Income Statements for previous three years or four years for alternate bearing crops (only two years required for Fast Track) > input & upload in AgPower	<input type="checkbox"/>	<input type="checkbox"/>
7. Pro forma income and expense > input in AgPower	<input type="checkbox"/>	N/A
8. Verification of non-farm income (2 most recent paystubs or most recent W-2 for each applicant employed off-farm)	<input type="checkbox"/>	<input type="checkbox"/>
9. Written debt verifications from major lender(s) of the borrower (if not on the Credit Report)	<input type="checkbox"/>	<input type="checkbox"/>
10. Written mortgage verifications outlining outstanding principal balance and payment history (at least last 24 months); or two most recent 1098's for each mortgage not in the Credit Report	<input type="checkbox"/>	<input type="checkbox"/>
11. Verification of cash, savings, cash value life insurance, marketable bonds and securities, and retirement accounts if material to the credit	<input type="checkbox"/>	<input type="checkbox"/>

## AgPower Loan Submission

- Sign in to efarmermac.com & locate AgPower in the left-hand menu

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Logout

- Loan Application Queue – list of institution's loans in process
  - Sample loan available for review – MAC LAND LLP
- Click on “Add New Application” to begin a loan submission

AgPower

Welcome! Amy Danner

Log Out

Loan Application Queue

Add New Application

Quick Search

[Select One]

Go

Report

Manual

Seller ID	Application ID	Loan Number	Status	Documents	Borrower Name	Loan Amount	Approved Date	Submitted Date	Received From
DC-001	DC-160611	21801721	Approved	Documents	MAC LAND LLP	\$2,860,000	04/05/2016		Carri Terpstra



## AgPower Demonstration

### AgPower Demonstration Objectives

- Review AgPower structure
- Observe order and flow of information
- Share tips & tricks for accelerated onboarding
- Provide insight on commonly asked questions



Application Number: DC-160011  
Loan Number: 21601721  
Borrower: MAC LAND LLP

Log Out

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				

Application Num: DC-160011 Application Status: Approved Duplicate Application

Application Description: MAC LAND LLP

Number of Entities: 3 (1-15) Seasoned Loan ☐ UW Type: FTF - Full Underwrite Most Recent Inc/Exp Year: 2015 (2016)

Individual Completing Application: Carr Terpsita Application Date: 2/1/2016

#### The Proceeds Of The Loan Will Be Used As Follows:

Loan Purpose	Description	Amount(\$)	(%)
Purchase RE	Purchase 300 acres	2,240,000	78
Closing fees	FEES AND COSTS	20,000	1
Refinance RE	City Bank- Farm 1	600,000	21





## *Resources*

### *Client Services Support*

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- Daily support for all loan inquiries
- Introductory Webinars – Getting Started
  - UW requirements, products, pricing a loan, and process overview
- One-on-one and group training
- Lean on us to help you from start to finish!

#### **Client Services**

[ClientServices@FarmerMac.com](mailto:ClientServices@FarmerMac.com)

**866-452-2617**

Contact for: general program assistance,  
training, technical issues, loan onboarding &  
processing questions



## Resources at Efarmermac.com



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## Farmer Mac Rates

### Client Services

[ClientServices@FarmerMac.com](mailto:ClientServices@FarmerMac.com)

866-452-2617

Contact for: general program assistance, training, technical issues, loan onboarding & processing questions

### Business Development

[Opportunities@FarmerMac.com](mailto:Opportunities@FarmerMac.com)

800-879-3276

Contact for: products & solutions, relationship management & marketing

### Rate Lock Desk

[ClientServices@FarmerMac.com](mailto:ClientServices@FarmerMac.com)

800-879-3276

Hours of Operation: 10 a.m. – 3 p.m. ET  
Contact for: rate lock requests, extensions & withdrawals

### Underwriting

[Underwriting@FarmerMac.com](mailto:Underwriting@FarmerMac.com)

866-452-2617

Contact for: loan eligibility, credit & underwriting

### Servicing

[Servicing@FarmerMac.com](mailto:Servicing@FarmerMac.com)

866-452-2617

Contact for: loan servicing

### Farmer Mac 2

[FM2@FarmerMac.com](mailto:FM2@FarmerMac.com)

877-770-3644

Contact for: USDA Guaranteed loans  
For more information visit  
[www.farmermac2.com](http://www.farmermac2.com)

## Resource Library

### Seller/Service Guide

[Seller/Service Guide](#)  
[Conversion Grid](#)  
[Non-participating Spouse Estoppel Certificate](#)  
[2017 Rural Home Loan Moderately Priced Housing Value](#)  
[Permanent Planting Development Loans](#)  
[AgEquity Product Description](#)  
[ARM Product Description](#)  
[VRM Product Description](#)  
[Fixed Rate Product Description](#)  
[Payment Schedule Information](#)

### Farm & Ranch Training Materials

[Farm & Ranch Training Kit](#)  
[Process Overview](#)  
[Product Guide](#)  
[Underwriting Matrix](#)  
[Application Checklist](#)  
[Narrative Template](#)  
[Appraisal Guide](#)  
[Title Guide](#)  
[Rate Lock Guide](#)  
[Closing Guide](#)  
[Field Servicer Guide](#)  
[PPDocs User Guide](#)  
[Administrator Guide](#)

### Collateral Valuation Supplement

[Collateral Valuation Supplement](#)

### Collateral Valuation Forms

[Comment and Guidance on Collateral Valuation Report Forms](#)  
[Sample Fee Appraiser Engagement Letter \(Form 1023A\) \\*](#)  
[Appraisal Report Content Requirements \(Form 1027A\)](#)  
[Assumptions and Limiting Conditions Example \(Form 1037\) \\*](#)  
[Environmental Disclosure \(Form 1010A\) \\*](#)  
[Irrigation and Drainage Supplement \(Form 1013A\)](#)  
[Permanent Planting Data Summary Example \(Form 1034\)](#)  
[Income Approach Example \(Form 1035\)](#)  
[Market Sale Data Summary Example \(Form 1036\)](#)  
[Collateral Assessment Report \(CAR\) \(Form 1047\)](#)  
[Allocation Table \(Form 1027B\)](#)  
[Collateral Inspection Report \(Form 1038\)](#)



# Thank You

Contact Us: [ClientServices@farmermac.com](mailto:ClientServices@farmermac.com)

Corporate Headquarters (DC): 800-879-3276  
Underwriting & Client Services Office (IA): 866-452-2617