



New Beginnings – Refresh Webinar

FARMER MAC

Financing Rural America®

Farmer Mac Solutions

Farm & Ranch Loan Purchase Solution

Access competitive, short and long-term financing for farm operations, rural properties, and production agriculture. You originate and sell eligible loans to us, secured by first lien mortgages. You maintain the client relationships. Preserve capital, attract and retain customers, and minimize credit and interest rate risk.

USDA Guaranteed Loan Purchase Solution

Sell us the guaranteed portions of your Farm Service Agency (FSA) and Rural Development (RD) loans. Benefits include access to a full suite of loan products, attractive rates, and automated online processes. You retain all loan servicing.

Credit Protection Solution

Choose from a guaranteed security solution or a purchase commitment option. With a security solution, we will securitize a set of eligible loans and provide a credit guarantee that ensures payment to the holder of the security. Under the purchase commitment option, you pay an annual fee and we will commit to purchase any of the scheduled loans that default. Processes are streamlined and set up is simple.

Wholesale Financing Solution

Borrow funds through a facility program by pledging eligible agricultural mortgages as collateral. Facility formation is easy to establish and maintain and can be upsized as your business grows. Cost of fund is extremely competitive. Issuances from the facility are executed quickly upon credit approval.



Becoming a Farmer Mac Seller

Farmer Mac Seller requirements

- Seller application
- Seller/Service agreement
- Officers' Certificate
- Stock ownership

Consolidated Assets

- Up to \$50 Million
- \$50- \$100 Million
- \$100- \$500 Million
- Over \$500 Million

Stock Ownership Requirements

- 100 shares of Class A or Class C
- 200 shares of Class A or Class C
- 500 shares of Class A or Class C
- 1000 shares of Class A or Class C

Application and stock purchase not required for Farmer Mac 2



Farm & Ranch Loan Purchase Program



Recent Transactions

- State: Minnesota
- Loan Amount: \$500,000
- Note Rate: 4.31%
- Field Servicing: 0.50%
- Product: 15 Yr. VRM (25 Yr. Term)
 - Choice Pricing
 - Semi-Annual Payment

- State: South Dakota
- Loan Amount: \$750,000
- Note Rate: 5.11%
- Field Servicing: 0.80%
- Product: 30 Year Fixed
 - Choice Pricing (AgXpress)
 - Semi-Annual Payment

- State: Indiana
- Loan Amount: \$300,000
- Note Rate: 4.95%
- Field Servicing: .30%
- Product: 20 Year Fixed
 - Choice Pricing
 - Semi-Annual Payment

- State: California
- Loan Amount: \$2,975,000
- Note Rate: 4.37%
- Field Servicing: 0.75%
- Product: 30 Year Fixed
 - Standard Pricing
 - Monthly Payment



Resource Library

Important information:

- Seller/Service Guide
- Product Descriptions
- Farm & Ranch training guides
- Narrative Template
- Required appraisal forms*

[Contact Us](#)[AgPower](#)[My Profile](#)[Preferred Appraiser](#)[Rates](#)[CRM](#)[Resource Library](#)[Logout](#)

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) *
 Sample Assumptions and Limiting Conditions Agreement (Form 1037B)
 Groundwater Compliance Certificate and Indemnity Agreement
 Agricultural Water Supply Questionnaire (Form 1020)
 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)

Seller/Service Guide

Farmer Mac Contact Information
 Seller/Service Guide
 Conversion Guide
 2019 Rural Home Loan Moderately Priced Housing Value
 Permanent Planting Development Loans
 AgEquity Program Description
 ARM Product Description
 VRM Product Description
 Fixed Rate Product Description
 Non-Participating Spouse Estoppel Certificate
 AgXpress Non-Participating Spouse Estoppel Certificate
 Payment Schedule Guide
 Commodity Pricing Guidelines
 Central Service Contact Information
 Sample Field Servicing Fee Report
 Service's Action Plan
 Product Update FAQ - New!
 VRM Rate Reset Guide - New!
 Historical VRM vs. CMT Rates - New!
 Historical VRM vs. Prime Rate - New!

Farm & Ranch Training Materials

Farm & Ranch Training Kit
 AgXpress® Application Package
 Process Overview
 Product Guide
 Underwriting Matrix
 Application Checklist
 Narrative Template
 Appraisal Guide
 Title Guide
 Rate Lock Guide
 Closing Guide
 Field Service Guide
 PPD User Guide
 Administrator Guide



Property & Borrower Eligibility

Eligible Farm & Ranch Loans

- Farm or ranch real estate secured by a first mortgage
- Properties
 - Parcels of land capable of producing ag commodities or products
 - May be improved by buildings, fixtures, and equipment permanently attached
 - No minimum or maximum acreage requirement
 - Less than 5 acres must produce \$5,000 or more in annual ag income
- Borrowers
 - U.S. citizens, nationals or aliens lawfully admitted for permanent U.S. residence
 - Corporations or partnerships where members, stockholders or partners holding a majority interest in the entity are U.S. citizens (or nationals) or aliens lawfully admitted for permanent U.S. residence. Co-borrowers or a personal guarantee is expected
 - Trusts are eligible for Farmer Mac financing if there is a personal guarantee



Application Checklist

Prepare and/or collect borrower information

- Note: a *Narrative Template* is available in the Resource Library



Application Checklist	Full Underwrite	Fast Track
1. Detailed Narrative (analysis of character, capital, capacity, collateral, and condition)	<input type="checkbox"/>	<input type="checkbox"/>
2. UCC Search on all loans over \$750,000. Applies to all borrowers/guarantors. Reports must be within 90 days of loan submission and marked up to align with the balance sheet.	<input type="checkbox"/>	<input type="checkbox"/>
3. Credit report with credit score for each applicant (within 90 days) (If a tri-merged report is submitted, the middle score will be used.)	<input type="checkbox"/>	<input type="checkbox"/>
4. Current market value balance sheet(s) with schedules (within 90 days) (including debt schedule) > input in AgPower	<input type="checkbox"/>	<input type="checkbox"/>
5. Pro forma balance sheet and schedules (including debt schedule) > input in AgPower	<input type="checkbox"/>	<input type="checkbox"/>
6. Previous three years (market value preferred, cost basis accepted) balance sheets and schedules > input & upload in AgPower	<input type="checkbox"/>	N/A
7. Tax Returns/Income Statements for previous three years or four years for alternate bearing crops (only <u>two years</u> required for Fast Track) > input & upload in AgPower	<input type="checkbox"/>	<input type="checkbox"/>
8. Pro forma income and expense > input in AgPower	<input type="checkbox"/>	N/A
9. Verification of non-farm income (two (2) most recent paystubs or most recent W-2 for each applicant employed off-farm)	<input type="checkbox"/>	<input type="checkbox"/>
10. Written debt verifications from major lender(s) of the borrower (if not on the credit report)	<input type="checkbox"/>	<input type="checkbox"/>
11. 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 on the credit report	<input type="checkbox"/>	<input type="checkbox"/>
12. 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"/>



Underwriting Matrix Snapshot

Underwriting categories

- Most popular:
 - Fast Track, Full Underwrite, AgEquity RLOC
- Other options include:
 - AgAssist, Seasoned loans, Cattle, Timber, Poultry, Swine, Dairy, Agribusiness and Production Facilities

Pricing qualifications

- *Standard* pricing: competitive pricing for borrowers who meet general standards
- *Choice* pricing: preferred pricing for stronger borrowers/credits

Loan Program	Fast Track	Full Underwrite	Full Underwrite	AgEquity RLOC
Eligible Pricing Type	Choice	Standard	Choice	Standard



Fast Track

Automatically qualifies for Choice pricing

No exceptions to standards

Loan Program	Fast Track	Full Underwrite	Full Underwrite	AgEquity RLOC	AgAssist
Eligible Pricing Type	Choice	Standard	Choice	Standard	Standard
Total Debt Coverage (See Seller/Service Guide, Section 202.3)	≥ 1.00 for 2 year average	≥ 1.25	≥ 1.50	≥ 1.35; must meet TDC after 3% rate shock	≥ 1.10
Current Ratio	≥ 1.00	≥ 1.25	≥ 1.50	≥ 1.25	≥ 1.00
Debt to Asset	≤ 40%	≤ 50%	≤ 40%	≤ 50%	≤ 60%
Loan-to-Value	≤ 55%	< 70%*	≤ 60%	≤ 50%**	≤ 45% FARM LTV ≤ 85% CLTV
Credit Score (FICO) (Individual borrowers/guarantors)	≥ 720				≥ 680
D&B PAYDEX Score (required if no individual borrowers/guarantors)	N/A				≥ 70
Loan Size	No minimum ≤ \$1.5 mil	No minimum ≤ 1000 acres: \$50.0 mil > 1000 acres: \$13.1 mil		Minimum: \$50,000 Maximum: \$13.1 mil	No minimum ≤ 1000 acres: \$50.0 mil > 1000 acres: \$13.1 mil
Cash-Out (See Seller/Service Guide, Section 202.5)	Unlimited	≤ 10%; unlimited cash out if amortization is 15 years or less and LTV is ≤ 60%.		Allowed if not for consumer purpose.	Unlimited
Recent Tax Returns	2 years	Minimum 3 years; 4 years alternate bearing.			
Extras	Collateral must consist of at least 5 acres or be used to produce annual agricultural receipts of at least \$5,000.				
	Permanent plantings are eligible.			Unlimited number of draws, minimum draw of \$2,500.	2nd mortgage must be guaranteed by federal or state agency.
	Loans with agricultural improvements whose contributory value exceeds 40% of the total value are not eligible.	*Loans with LTV > 60% and ≤ 70% must have TDC ≥ 1.50. No exceptions to Pro forma CR or D/A.		**Property may have improvements or permanent plantings, however the loan-to-value will be calculated using only the bare land value.	Guaranteed loan > 25% of combined loan amounts.



Full Underwrite - Standard Pricing

Properties with agricultural improvements exceeding 60% of the appraised value will be treated as facility loans

Loan Program	Fast Track	Full Underwrite	Full Underwrite	AgEquity RLOC	AgAssist
Eligible Pricing Type	Choice	Standard	Choice	Standard	Standard
Total Debt Coverage (See Seller/Service Guide, Section 202.3)	≥ 1.00 for 2 year average	≥ 1.25	≥ 1.50	≥ 1.35; must meet TDC after 3% rate shock	≥ 1.10
Current Ratio	≥ 1.00	≥ 1.25	≥ 1.50	≥ 1.25	≥ 1.00
Debt to Asset	≤ 40%	≤ 50%	≤ 40%	≤ 50%	≤ 60%
Loan-to-Value	≤ 55%	< 70%*	≤ 60%	≤ 50%**	≤ 45% FARM LTV ≤ 85% CLTV
Credit Score (FICO) (Individual borrowers/guarantors)	≥ 720				≥ 680
D&B PAYDEX Score (required if no individual borrowers/guarantors)	N/A				≥ 70
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Recent Tax Returns	2 years	Minimum 3 years; 4 years alternate bearing.			
Extras	Collateral must consist of at least 5 acres or be used to produce annual agricultural receipts of at least \$5,000.				
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	Loans with agricultural improvements whose contributory value exceeds 40% of the total value are not eligible.	*Loans with LTV > 60% and ≤ 70% must have TDC ≥ 1.50. No exceptions to Pro forma CR or D/A.		**Property may have improvements or permanent plantings, however the loan-to-value will be calculated using only the bare land value.	Guaranteed loan ≥ 25% of combined loan amounts.



Full Underwrite - Choice Pricing

Agricultural improvements cannot exceed 60% of the appraised value

No exceptions to standards

Loan Program	Fast Track	Full Underwrite	Full Underwrite	AgEquity RLOC	AgAssist
Eligible Pricing Type	Choice	Standard	Choice	Standard	Standard
Total Debt Coverage (See Seller/Service Guide, Section 202.3)	≥ 1.00 for 2 year average	≥ 1.25	≥ 1.50	≥ 1.35; must meet TDC after 3% rate shock	≥ 1.10
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AgEquity Revolving Line of Credit

Funds are used for agriculture or business purposes

5-year or 10-year draw period

Semi-annual interest payments due on January 1 and July 1

Loan Program	Fast Track	Full Underwrite	Full Underwrite	AgEquity RLOC	AgAssist
Eligible Pricing Type	Choice	Standard	Choice	Standard	Standard
Total Debt Coverage (See Seller/Service Guide, Section 202.3)	≥ 1.00 for 2 year average	≥ 1.25	≥ 1.50	≥ 1.35; must meet TDC after 3% rate shock	≥ 1.10
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Recent Tax Returns	2 years		Minimum 3 years; 4 years alternate bearing.		
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Loans with agricultural improvements whose contributory value exceeds 40% of the total value are not eligible.		*Loans with LTV > 60% and ≤ 70% must have TDC ≥ 1.50. No exceptions to Pro forma CR or D/A.		**Property may have improvements or permanent plantings, however the loan-to-value will be calculated using only the bare land value.	Guaranteed loan > 25% of combined loan amounts.



AgAssist

Facility loans eligible on a case-by-case basis

Example: \$1,000,000 request, Federal or State agency loans need to be at least \$250,000 or more

Loan Program	Fast Track	Full Underwrite	Full Underwrite	AgEquity RLOC	AgAssist
Eligible Pricing Type	Choice	Standard	Choice	Standard	Standard
Total Debt Coverage (See Seller/Service Guide, Section 202.3)	≥ 1.00 for 2 year average	≥ 1.25	≥ 1.50	≥ 1.35; must meet TDC after 3% rate shock	≥ 1.10
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Getting Started – Loan Submission

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 complete **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 efarmermac.com.
Contact Client Services for assistance.

The screenshot shows the 'FARM & RANCH APPLICATION CHECKLIST' on the right and a navigation menu on the left. The navigation menu includes: Contact Us, AgPower, My Profile, Preferred Appraiser, Rates, Resource Library, Annual Certification, and Logout. The checklist on the right lists various documents and their status (Not Started, In Progress, Completed).

AgPower

Welcome! Carr Jierpatra

Loan Application Queue

Add New Application

Quick Search

[Select One] Go

Seller ID	Application ID	Loan Number	Status	Documents	Borrower Name	Loan Amount	Approved Date	CS	Submitted Date	UW	Received From	App. Date
DC-001	DC-170015	21701523	Approved	Documents	MAC LAND LLP	\$2,860,000	06/26/2017	ZNB		MAJ	Carr Jierpatra	06/12/2017



Loan Submission Continued

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 in accordance with the **Appraisal** and **Title Guides**.

6. **SUBMIT** appraisal and title reports under the "Communication/Attachment" tab within AgPower.
Ensure the reports meet the terms of engagement and first lien position requirements.

Seller/Service Guide

Farmer Mac Contact Information
Seller/Service Guide
Conversion Guide
Non-participating Spouse Estoppel Certificate

Loan Application Queue

Add New Application

Quick Search

Farmer Mac Road Show 201

Seller ID	Application ID	Loan Number	Status	Documents	Borrower Name	Loan Amount
DC-001	DC-170015	21701523	Approved	Documents	MAC LAND LLP	\$2,860,000

Payment Schedule Guide
Commodity Pricing Guidelines
Central Servicer Contact Information
Sample Field Servicing Fee Report

Farm & Ranch Training Materials

Farm & Ranch Training Kit
Process Overview
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Title Guide
Rate Lock Guide
Closing Guide
Field Servicer Guide
PPDocs User Guide
Administrator Guide

AgPower

Application Number: DC-170015
FAMC Loan Number: 21701523
Borrower: MAC LAND LLP

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	Appraisal	Manual / LW Grid	
Subsidiary Analysis	Loan Summary	UW Ratio	Communication/Attach	Appraisal	UW Analysis	Products Option	Instruction Letter



Loan Submission Continued

- 7. RECEIVE** the **Conditions Prior to Funding** via AgPower once Farmer Mac has assessed 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 866.452.2617 between 9 a.m. – 2 p.m. C.T., referring to the **Rate Lock Guide** for instructions.

Have the **Preliminary Loan Approval Notice** nearby when rate locking.

Related tabs & button displayed in AgPower...

Rate Lock Info	Rate Lock Ext Req	Purchase Req
----------------	-------------------	--------------

Send Data To PPDocs

- 9. ASSEMBLE** closing documents, which may be prepared by your organization, through an attorney, or through PPDocs Inc. (ppdocs.com), in accordance with 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 purchase.

- 10. PERFORM** ongoing field servicing duties, which may include monitoring taxes and insurance, property inspections, filing UCC continuations, and collecting annual financials, as described in the **Field Servicer Guide**.

Central Servicer bills and collects payments; remitting field servicing fees to you as payments are received. Refer to *Closing and Field Servicing Guides* for more detail.



AgXpress

AgXpress Parameters

Max loan size: \$750,000 per applicant (within a 12-month period)

- After 12 months of seasoning & no delinquencies, additional loans considered
- Max aggregate AgXpress exposure of \$1.5 million
- Total maximum exposure for an existing FAMC borrower (and affiliates) cannot exceed \$10 MM including AgXpress

Max LTV: 55% of total combined bare land and permanent plantings

- If the property does not include permanent plantings, the max LTV of 55% is based off of the bare land value only
- Improvements are allowed, but will not be used in the LTV calculation

No restrictions on commodities or use of funds

No restrictions on products (Fixed, VRM)

Monthly or semi-annual payment frequencies

Choice Pricing automatically applies

Recommended minimum credit score of 720 for all applicants

General Farmer Mac underwriting guidelines apply



AgXpress Application Package

Download the most recent version of the AgXpress Application Package at www.efarmermac.com within the Resource Library

Package outlines the Eligibility Parameters, Submission Checklist, Frequently Asked Questions and the Application

Contact Us

AgPower

My Profile

Preferred Appraiser

Rates

CRM

Resource Library

Logout

APPLICATION PROCESS

AgXpress™ is a credit score-based model, designed to simplify the application process and deliver a faster credit decision. Using AgXpress, you bypass the majority of traditional loan underwriting requirements and substantially reduce the amount of time needed to submit a loan. This package outlines the Eligibility Parameters, the Submission Checklist, Frequently Asked Questions (FAQ), and the Application — providing everything you need to get going.

FARM & RANCH AGXPRESS™

FARMER MAC

ELIGIBILITY PARAMETERS

- Maximum loan size: \$750,000 per applicant within a 12-month period
- After 12 months of seasoning with no delinquencies, additional AgXpress loans will be considered
- Maximum aggregate AgXpress exposure is \$1.5 million
- Maximum Loan-to-Value (LTV): 55% of total combined bare land and permanent plantings
- If the property does not include permanent plantings, the max LTV of 55% is based off of bare land only
- Recommended minimum credit score for all applicants: 720
- Farmer Mac will pull a credit report
- Farmer Mac's general underwriting guidelines apply

AGXpress™

- **AGXpress™** is a credit score-based model, designed to simplify the application process and deliver a faster credit decision. Using AgXpress, you bypass the majority of traditional loan underwriting requirements and substantially reduce the amount of time needed to submit a loan. This package outlines the Eligibility Parameters, the Submission Checklist, Frequently Asked Questions (FAQ), and the Application — providing everything you need to get going.

AGXpress™

- **AGXpress™** is a credit score-based model, designed to simplify the application process and deliver a faster credit decision. Using AgXpress, you bypass the majority of traditional loan underwriting requirements and substantially reduce the amount of time needed to submit a loan. This package outlines the Eligibility Parameters, the Submission Checklist, Frequently Asked Questions (FAQ), and the Application — providing everything you need to get going.

Farm & Ranch Training Materials

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- Process Overview
- Product Guide
- Underwriting Matrix
- Application Checklist
- Narrative Template
- Appraisal Guide
- Title Guide
- Rate Lock Guide
- Closing Guide
- Field Service Guide
- PPDocs User Guide
- Administrator Guide

QUESTIONS? Chad@farmermac.com | 800.432.2017 | farmermac.com



AgXpress

SUBMISSION CHECKLIST

1 COMPLETE

- ☐ Signed **AgXpress Application**.
 - Farmer Mac's AgXpress Application must be used and is located within the Resource Library at www.efarmermac.com.
- ☐ Log into www.efarmermac.com and begin a "New Application" in AgPower. Check "AgXpress Loan". Complete only the "Application" and "Borrower Info" tabs.

2 SUBMIT

- ☐ Upload the **AgXpress Application** within the "Communication/Attachment" tab of AgPower.
- ☐ Click the "Submit Application" button on the "Submit Application" tab in AgPower.
- ☐ Once available, with or after application, upload the appraisal and title work in the "Communication/Attachment" tab in AgPower.

3 REVIEW

Farmer Mac will review your loan submission and contact you with questions.

Once a credit decision is made, you will either receive a notification of approval (a Preliminary Loan Approval (PLA) notice will be issued) or denial (a Denial Notice will be issued).

Please refer to the Seller/Service Guide within the Resource Library for obligations related to AgXpress denials.

4 CONTINUE After approval, follow the standard process for appraisal, title, rate lock, closing, and purchase activities.

FM12-01 ©06.19

QUESTIONS? ClientServices@FarmerMac.com | 866.452.2617 | farmermac.com


Next Steps

Start Application in AgPower

Complete Application and Borrower Info tab


 Application Number: DC-190028
 Borrower: MAC LAND LLP

Application Queue	Application	Borrower Info	Amortization	Appraisal Checklist
Loan Summary	UW Ratio	Communication/Attach	Appraisal	UW Analysis

Save

AgXpress Loan? ☒

Application Num: DC-190028 Application Status: **New Application** **Duplicate**

Application Description: **MAC LAND LLP**

Number of Entities: **2** (1-15) Seasoned Loan ☐ UW Type: **FTF - Full Underwrite**

Individual Completing Application: **Carl Tempira**

The Proceeds Of The Loan Will Be Used As Follows

Loan Purpose	Description
Del Edit Refinance RE	Refinance: Farm Credit
Del Edit Closing fees	Closing Cost
Save Total	

The total loan purpose amount should be Equal to Requested Loan Amount

Borrower Info	Amortization	Appraisal Checklist
Communication/Attach	Appraisal	UW Analysis

General Borrower's Information:

Do Applicants Have Other Farmer Mac Related Loans? ☐ Yes ☒ No

Are there guarantees on this loan? ☐ Yes ☒ No

Are there Co-Applicants for this loan? ☐ Yes ☒ No

Borrower Name	Business Structure	Primary Borrower	Entity No.	Street	
MAC FARMER	Individual	Yes	1	104 SCENIC LAND	FAR 501
MAY FARMER	Individual	Yes	1	104 SCENIC LAND	FAR 501
MAC LAND LLP	Entity	No	2	2011 SCENIC DRIVE	FAR 501



Next Steps

Upload a signed application in the Communication/attachment tab within AgPower

Upload any additional documents that can help with the approval process (e.g., several sellers provide additional information on the borrower's operation in a one page document helping to obtain an approval)

Submit Application

Upload/Edit Related Documents:

Documents Attached by Seller						
Document Category	Entity No	Document Name	Post Date	Document Purpose	File Type	Comments
Application Miscellaneous		AgXpress Application-Signed	07/25/2019		.pdf	Open

Borrower Info	Amortization	Appraisal Cklist	Submit Application
Communication/Attach	Appraisal	UW Analysis	Products Option



Farm & Ranch Rates – 9.30.19

Note: New loan products

Products	Term	Amortization	Standard Rates	Choice Rates
AgEquity VRM	25 30	15 20 25	4.05%	4.05%
1-month VRM	15 20 25 30	15 20 25 30	4.04%	3.69%
1-year VRM	15 20 25 30	15 20 25 30	3.40%	3.05%
3-year VRM	15 20	15 20	3.43%	3.08%
3-year VRM	25 30	25 30	3.48%	3.13%
5-year VRM	15 20	15 20	3.52%	3.17%
5-year VRM	25 30	25 30	3.56%	3.21%

Note: New 35bps rate difference between Standard and Choice.



Farm & Ranch Rates – 9.30.19

Products	Term	Amortization	Choice Reset Margin	Standard Rates	Choice Rates
7/1 ARM	15	15 25	3.25%	3.73%	3.60%
10/1 ARM	15	15 25	3.25%	3.86%	3.73%



Farm & Ranch Rates – 9.30.19

Products	Term	Amortization	Standard Rates	Choice Rates
10-year VRM	15 20	15 20	4.07%	3.72%
10-year VRM	25 30	25 30	4.12%	3.77%
15-year VRM	20	20	4.17%	3.82%
15-year VRM	25 30	25 30	4.23%	3.88%

Note: New 35bps rate difference between Standard and Choice.



Farm & Ranch Rates – 9.30.19

Products	Term	Amortization	Standard Rates	Choice Rates
7-year Fixed	7	15 20	3.78%	3.43%
10-year Fixed	10	10	3.99%	3.64%
15-year Fixed	15	15	4.02%	3.67%
15-year Fixed	15	25	4.20%	3.85%
20-year Fixed	20	20	4.13%	3.78%
25-year Fixed	25	25	4.24%	3.89%
30-year Fixed	30	30	4.33%	3.98%

Note: New 35bps rate difference between Standard and Choice.



Important Footnotes

Products	Term	Amortization	Choice Asset Margins	Standard Rates	Choice Rates
Agility ARM	10 20	10 20 25		4.00%	4.00%
10-year ARM	10 20 25 30	10 20 25 30		4.00%	4.00%
15-year ARM	15 20	15 20		4.00%	4.00%
20-year ARM	20 25	20 25		4.00%	4.00%
25-year ARM	25 30	25 30		4.00%	4.00%
30-year ARM	30 35	30 35		4.00%	4.00%
10-year ARM	10 20	10 20		4.00%	4.00%
15-year ARM	15 20	15 20		4.00%	4.00%
20-year ARM	20 25	20 25		4.00%	4.00%
25-year ARM	25 30	25 30		4.00%	4.00%
30-year ARM	30 35	30 35		4.00%	4.00%
10-year ARM	10 20	10 20		4.00%	4.00%
15-year ARM	15 20	15 20		4.00%	4.00%
20-year ARM	20 25	20 25		4.00%	4.00%
25-year ARM	25 30	25 30		4.00%	4.00%
30-year ARM	30 35	30 35		4.00%	4.00%
10-year ARM	10 20	10 20		4.00%	4.00%
15-year ARM	15 20	15 20		4.00%	4.00%
20-year ARM	20 25	20 25		4.00%	4.00%
25-year ARM	25 30	25 30		4.00%	4.00%
30-year ARM	30 35	30 35		4.00%	4.00%
10-year ARM	10 20	10 20		4.00%	4.00%
15-year ARM	15 20	15 20		4.00%	4.00%
20-year ARM	20 25	20 25		4.00%	4.00%
25-year ARM	25 30	25 30		4.00%	4.00%
30-year ARM	30 35	30 35		4.00%	4.00%
10-year ARM	10 20	10 20		4.00%	4.00%
15-year ARM	15 20	15 20		4.00%	4.00%
20-year ARM	20 25	20 25		4.00%	4.00%
25-year ARM	25 30	25 30		4.00%	4.00%
30-year ARM	30 35	30 35		4.00%	4.00%

Farmer Mac's posted rates ("net yields") are indications based on prevailing market conditions at the time of publishing. Actual net yields may differ at the time of rate lock.
 Choice asset margins for 10-year ARM and 15-year ARM are estimates. Actual asset margins may differ at the time of rate lock.
 Lender must meet a 15-day closing fee in the net yield. 15 basis point minimum, 10 basis point maximum. The Agility program maximum is 10 basis points.
 Fully rate indications are based on a semi-annual payment frequency. Add 15 basis points for annual payment; subtract 5 basis points for monthly payment.
 The indicative net yields are based on a four-week rate lock period. Other options are available. Contact the Rate Lock Desk for pricing.
Rate Lock Desk
 Hours: 9:00 a.m. - 2:00 p.m. Central Time
 Phone: 800-452-2617
 Refer to the Rate Lock Guide and Product Descriptions within the Resources Library at farmermac.com for more information.

- Rates are indicative
- Rate lock hours: 9:00 am to 2:00 pm central time
 - 800-452-2617
- Semi-annual payment rates are posted
 - Add 15 bps for annual pay
 - Subtract 5 bps for monthly pay
- 4-week rate locks posted. Other options available upon request
- Mandatory Delivery



Pricing a Loan

Start by checking the Farmer Mac Net Yield on the rate sheet

Does the loan request qualify for Standard or Choice Pricing?

Is your institution an ABA or ICBA member?

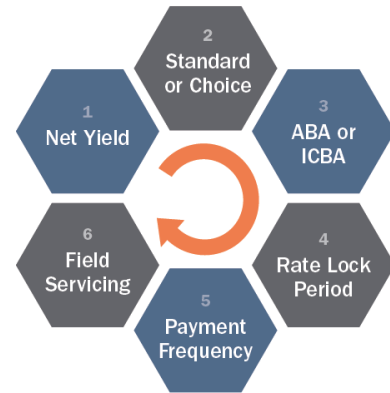
What is the re-payment frequency?

Monthly, Semi-Annual or Annual

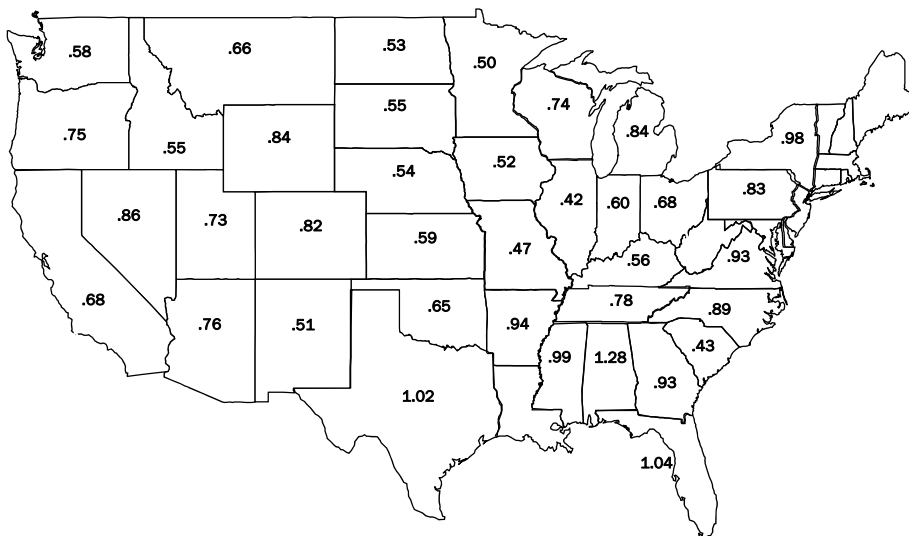
4 Week Rate Lock?

10 – 150 bps for most products

How
to build
a rate



Average Field Servicing

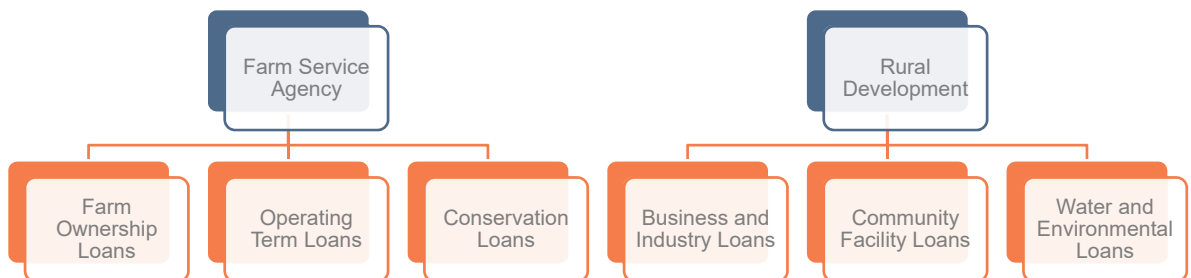




Farmer Mac 2



Eligible USDA Programs



2019 Loan Statistics *(as of 7.1.19)*

Products	Loans	Servicing Fees Wgt Avg	Servicing Fees Median	Net Yield Wgt Avg	Volume	Volume as % of Total	Average Loan Size
3-Month COFI	18	5.07%	5.07%	3.75%	\$ 3,944,700	2%	\$ 219,150
5-Year COFI	13	2.05%	1.75%	3.73%	\$ 8,973,782	5%	\$ 690,291
10-Year COFI	22	1.21%	1.08%	4.12%	\$ 8,612,473	5%	\$ 391,476
15-Year COFI	81	1.04%	1.01%	4.42%	\$37,330,052	21%	\$ 460,865
7-Year Fixed, Full Am	26	1.84%	1.60%	3.77%	\$ 6,458,639	4%	\$ 248,409
7-Year Fixed, 15-Yr Am	6	1.68%	1.27%	3.85%	\$ 1,605,898	1%	\$ 267,650
10-Year Fixed, Full Am	7	1.22%	1.00%	3.99%	\$ 2,110,870	1%	\$ 301,553
15-Year Fixed, Full Am	35	1.25%	1.30%	4.03%	\$17,777,259	10%	\$ 507,922
15-Year Fixed, 25-Yr Am	8	0.99%	1.09%	4.29%	\$ 4,660,261	3%	\$ 582,533
20-Year Fixed	63	0.89%	1.12%	4.17%	\$35,385,714	20%	\$ 561,678
25-Year Fixed	15	0.96%	1.00%	4.64%	\$ 6,583,724	4%	\$ 438,915
30-Year Fixed	128	1.06%	1.00%	4.86%	\$41,760,003	24%	\$ 326,250
	422	1.22%	1.12%	4.34%	\$175,203,374	100%	\$ 415,174



FSA Guaranteed Loans – Other Opportunities

Direct Farm Ownership Down Payment Loan

- "5-45-50 Program" for underserved & beginning farmers
- 5% borrower down payment
- 45% FSA direct loan with \$300,150 maximum
- 50% bank loan that is eligible for a 95% guarantee, no fee, and is required to have a minimum 30-year amortization

Direct Farm Ownership Joint Financing Loan

- "50-50 Program" combining a FSA direct loan with a traditional bank loan (can be guaranteed)

FSA Direct Loan Graduations

- Refinance a FSA direct loan and the commercial lenders receives higher guarantee percentage and lower fee

Farmer Mac AgAssist

- Piggyback loan with bank originated 1st mortgage and a bank originated FSA guaranteed 2nd mortgage
 - Both loans salable to Farmer Mac
- Extend guaranteed loan amount maximums (currently \$1,750,000)



Recent FSA Example

"This was an existing client who initially used FSA's beginning farmer program about 5 years ago to purchase approximately 100 acres of farmland. Recently, an opportunity to acquire a hog barn came along for our customer."

While the repayment capacity was strong, our borrower's equity requirement didn't meet our internal guidelines. Obtaining the Farm Ownership guarantee gave us the comfort level to finance this transaction for our customer."

- Ag Banker

Guarantee Type	FSA – Farm Ownership
Purchase Date	9/5/2019
Guarantee Percent	95%
Guarantee Amount	\$380,000
Product	10-Yr Fixed
Note Rate	3.80%
Servicing Fee	1.00%



Recent FSA Example

"These longtime customers farm over 700 acres raising corn, soybeans and hay. They also own some beef cattle. When they recently approached the bank with a request to finance an additional 160 tillable acres and seek a long-term rate, we came up with a plan to utilize FSA's 50/50 program."

The bank obtained a guarantee on its portion of the financing and sold it to Farmer Mac. The low direct rate through FSA combined with the long-term rate through the secondary market allowed our borrowers to receive attractive financing by fixing interest rate costs."

- Bank CEO

Guarantee Type	FSA – Farm Ownership
Purchase Date	8/20/2019
Guarantee Percent	90%
Guarantee Amount	\$477,900
Product	30-Yr Fixed
Note Rate	4.75%
Servicing Fee	1.40%



Recent FSA Example

"This hog producer was a new client to our bank and looking to make some changes by expanding his custom feeding operation. The operation was already highly leveraged and cashflow was tight.

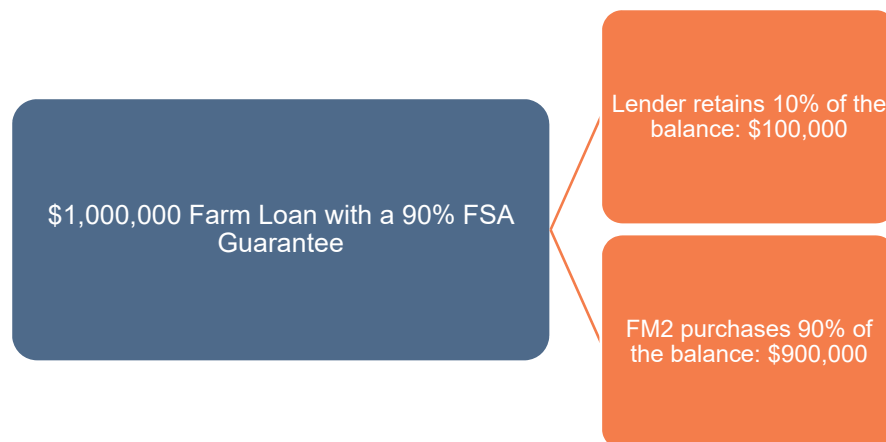
The ratios were simply outside of our in-house guidelines. Seeking an FSA guarantee allowed us to bring in this relationship from a local competitor and at the same we were able to provide attractive financing through the secondary market."

- Community Bank Market President

Guarantee Type	FSA – Farm Ownership
Purchase Date	8/29/2019
Guarantee Percent	90%
Guarantee Amount	\$1,260,000
Product	15-Yr Fixed
Note Rate	4.15%
Servicing Fee	1.14%



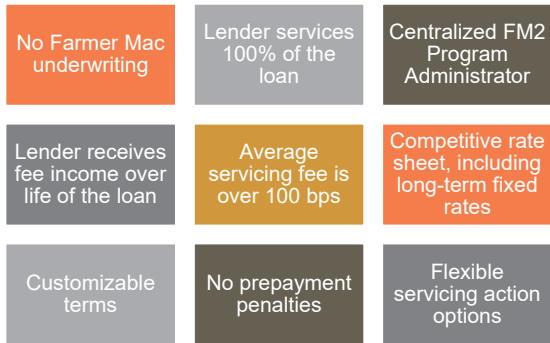
How Farmer Mac 2 Works



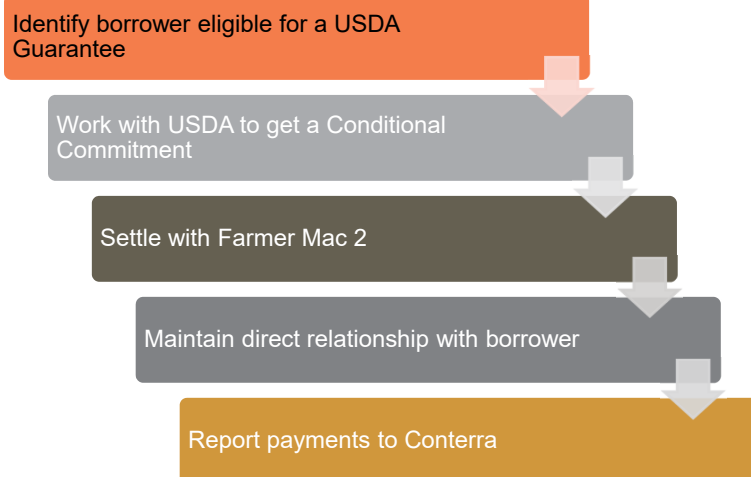
Lender retains 100% of the Loan Servicing



Advantages of Utilizing Farmer Mac 2



Steps to Success



Documents for Review



Loan Guarantee



Assignment of
Guarantee



Promissory note



Farmer Mac 2 Rate Sheet – 9.30.19

Products	Annual, S.A., & Qrtly Pay 4- Week Rate Lock
Wall Street Journal Prime	3.50%
Farmer Mac 3-Mo COFI	3.27%
Farmer Mac 5-Yr Reset COFI; 20-,25-,30-Yr Am	2.98%
Farmer Mac 10-Yr Reset COFI; 20-,25-,30-Yr Am	3.26%
Farmer Mac 15-Yr Reset COFI; 20-,25-,30-Yr Am	3.34%
7-yr Fixed Rate, 7-Yr Am	2.95%
7-yr Fixed Rate, 15-Yr Am	2.96%
10-yr Fixed Rate, 10-Yr Am	2.95%
15-yr Fixed Rate, 15-Yr Am	3.08%
15-yr Fixed Rate, 25-Yr Am	3.33%
20-yr Fixed Rate, 20-Yr Am	3.19%
25-yr Fixed Rate, 25-Yr Am	3.27%
30-yr Fixed Rate, 30-Yr Am	3.35%

Note: New
competitive rates

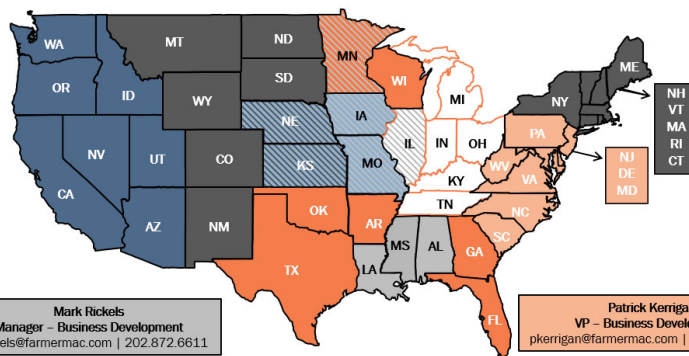


Value of a Loan Servicing Fee Annuity

\$1,000,000 Loan 10 Year COFI, 30 Year Maturity 4.14% Note Rate				
Payment	GP Balance	Payment Amount	Servicing Fee	Cumulative Servicing Fee
1	\$900,000	\$52,935	1.00%	\$9,000
2	\$884,325	\$52,935	1.00%	\$17,843
3	\$868,000	\$52,935	1.00%	\$26,523
4	\$851,000	\$52,935	1.00%	\$35,033
5	\$833,296	\$52,935	1.00%	\$43,366
6	\$814,859	\$52,935	1.00%	\$51,515
7	\$795,659	\$52,935	1.00%	\$59,472
8	\$775,664	\$52,935	1.00%	\$67,229
9	\$754,841	\$52,935	1.00%	\$74,777
10	\$733,156	\$53,935	1.00%	\$82,109



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866-452-2617

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

Business Development

Opportunities@FarmerMac.com

800-879-3276

Contact for: products & solutions,
relationship management & marketing

Rate Lock Desk

ClientServices@FarmerMac.com

800-879-3276

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

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866-452-2617

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Thank You

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