



***The “Complete” Farm & Ranch
Loan Package***

Topics of Discussion

- Best practices
- Loan structures
- Organizing a complete loan submission
- Loan application checklist
- Common pitfalls
- Queue management
- Don't forget



Your Support Crew

Client Services

ClientServices@FarmerMac.com

866-452-2617

Toni Betz

Carr Terpstra

Kendra Borcharding

Jessi Hogan

Amy Danner



Setting the Stage

- Applies to Farm & Ranch applications through AgPower
- Accessed at www.efarmermac.com
- Contact your Administrator for log-in credentials



Login

Please enter your user name, password and captcha to login to the Farmer Mac Website.

If you have forgotten your password, please click on the forgot password button below to reset your password.

User Name/Email:

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Rates

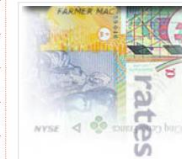
Purchase Commitment

Resource Library

Annual Certification

Logout

Farmer Mac Rates



- Farmer Mac Rates Post Schedule
- Farmer Mac I: Farm and Ranch Loan Program
- Historical Farmer Mac II LLC COFI Rates
- AgVantage Rates



Best Practices

- Setting up borrower information correctly will streamline loan submission process
 - Common inquires:
 - Who is primary borrower?
 - A Trust owns the ground, are they required as a borrower?
 - Borrower has interest in multiple businesses, do they need to be on the loan?
 - Someone is pledging collateral, how is that handled?
 - Two parties buying land, can they each have their own loan on collateral with undivided interest?
 - New entity, do we need to know?

Client Services are available to discuss loan prospects for correct borrower designation, multiple entity submissions, 2-pack loan submissions, etc.



Loan Structure Hints

- Assign entity numbers on Borrower tab
 - Husband and wife are considered one entity
 - Entity (Trust, Corporation, Partnership) holding title should reflect a separate entity #
 - Corporation or Trust with tax returns should reflect separate entity #
 - Individuals or entities pledging collateral need to be listed on borrower tab with “(Mortgage Signer Only)” added behind borrowers name
 - If designation is added for borrower, always list within parenthesis: i.e., (Guarantor)



Getting Organized

- Collect all items on the Application Checklist
 - Make sure to spread and upload all necessary supporting documents
 - Organize uploads by entity, category, and description
 - Break out uploads
 - Once uploaded, can not edit
- Complete all red fields (i.e., required)
- Any time during loan entry or after completing the application, we will gladly step through the app tab by tab – call us!
 - Let us know the Application Number from the top of the page in AgPower

Application Number: DC-170017
Borrower: MAC LAND LLP



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 (<i>analysis of character, capital, capacity, collateral & condition</i>)	<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 (<i>including debt schedule</i>) > <i>input in AgPower</i>	<input type="checkbox"/>	<input type="checkbox"/>
4. Pro forma balance sheet and schedules (<i>including debt schedule</i>) > <i>input in AgPower</i>	<input type="checkbox"/>	<input type="checkbox"/>
5. Previous three years (<i>market value preferred, cost basis accepted</i>) balance sheets and schedules > <i>input & upload in AgPower</i>	<input type="checkbox"/>	N/A
6. Tax Returns/Income Statements for previous three years or four years for alternate bearing crops (<i>only two years required for Fast Track</i>) > <i>input & upload in AgPower</i>	<input type="checkbox"/>	<input type="checkbox"/>
7. Pro forma income and expense > <i>input in AgPower</i>	<input type="checkbox"/>	N/A
8. Verification of non-farm income (<i>2 most recent paystubs or most recent W-2 for each applicant employed off-farm</i>)	<input type="checkbox"/>	<input type="checkbox"/>
9. Written debt verifications from major lender(s) of the borrower (<i>if not on the Credit Report</i>)	<input type="checkbox"/>	<input type="checkbox"/>
10. Written mortgage verifications outlining outstanding principal balance and payment history (<i>at least last 24 months</i>); 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"/>



Common Pitfalls

- Complete and break-out loan proceeds in application
- Match acres on security section in application and balance sheet
 - Original and proforma balance sheets need to match
- Show down-payment when requesting a purchase or show how application will meet LTV
- For a REFI, cancel out debt in BS(a) Proforma
 - Watch out...can't delete line items, just move balance to zero
- Loan proceeds and closing costs
 - Explain in narrative

Don't submit early. Instead, call or email and we will walk you through the entire process!



Common Pitfalls


- AVG operating line and rate
 - On BS(a) and BS(a) Proforma
- Historical BS- upload and spread
 - In Loan Summary tab
- Complete real estate security section on Loan Summary tab
 - Choose commodity type, “Not Specified” will not work
- Complete balance sheet cash flow
- Lack of uploads
 - Verifications, UCC’s, tax returns, purchase agreements, estoppel
- Narrative
 - Lacking details and explanation for mitigating risk
- Complete package.....quicker approval!




Queue Management

- Need to withdraw a loan?
 - Send message asking to withdraw in the Communication/Attachment tab in AgPower
 - Include reason for withdraw
- Client Services will archive the loan for you
- Share this Application

Loan Officer Information:

Loan Officer:	Carr Terpstra	<input checked="" type="checkbox"/> Share this Application?	
	update Loan Officer		
Address:	5408 nw 88th st		
City:	Johnston		
State:	IA	Zip:	50131
Phone:	202-872-6682	Alternate Phone:	
Fax:	000-000-0000		
Email:	cterpstra@farmermac.com		



- Administrator can change loan officer up to loan approval
 - Loan officer will be the only one who receives auto-notifications (i.e., emails) related to the application



Don't Forget

- Updated Resources (visit the Resource Library)
 - Product Descriptions, Payment Schedule Guide, Central Servicer Contact Sheet
- Max Rate 
 - Application tab
- UCC search
 - Must be within 90 days
- 2017 Tax return
- Additional training
- Request a Training Kit!



Questions or Comments?

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