ABOUT US

The Premier Secondary Market for U.S. Agricultural and Rural Utilities Credit

We have a mission to increase the availability and affordability of credit to those in the food, agriculture, power, and telecommunications industries.

Secondary market capital provider that funds lenders and investors to serve eligible borrowers.

Proven track record of product innovation and consistent mission-focused growth.


Regulated by the U.S. Securities and Exchange Commission (SEC) and the Office of Secondary Market Oversight (OSMO) within the Farm Credit Administration (FCA).

Board of Directors comprised of presidential appointees (5), Farm Credit System (“FCS”) institution appointees (5), and financial institution appointees (5).
Since our founding in 1988, we have grown to provide financing in cities and towns across the United States.

Farmer Mac’s food and agricultural lending presence extends from the Heartland to Hawaii, reaching lenders and their borrowers across America.

Farmer Mac employs approximately 160 employees, spread throughout the country.
Advantages of the Secondary Market

• No credit or interest rate risk to the lender
• Does not tie up lender’s capital
• Tool to attract and retain farm customers
• Wide variety of competitive loan products
• Significant fee income opportunities
Loan Seller Geography (last 24 months)
Loan Geography (last 24 months)
Farmer Mac Solutions

Farm & Ranch Loan Purchase Solution
- Originate and sell eligible loans, secured by first lien mortgages
- Access competitive, short and long-term financing for production agriculture
- Maintain the client relationship, preserve capital and minimize credit and interest rate risk

Farm & Ranch Credit Protection Solution
- Choose from a guaranteed security solution or a purchase commitment option
- Under the purchase commitment option, pay an annual fee and we will commit to purchase any of the schedule loans that default

USDA Guaranteed Loan Purchase Solution
- Sell the guaranteed portions of Farm Service Agency (FSA) and Rural Development (RD) loans

Corporate Ag Finance
- Food & Beverage participations and syndications
- Wholesale financing
Becoming a Farmer Mac Seller

• Farmer Mac Seller Requirements
  • Seller application
  • Seller/Servicer agreement
  • Officer Certificate
  • Stock ownership

<table>
<thead>
<tr>
<th>Consolidated Assets</th>
<th>Stock Ownership*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to $250 Million</td>
<td>50 shares of Class A or Class C</td>
</tr>
<tr>
<td>$250- $700 Million</td>
<td>100 shares of Class A or Class C</td>
</tr>
<tr>
<td>Over $700 Million</td>
<td>250 shares of Class A or Class C</td>
</tr>
</tbody>
</table>

*NYSE: AGM or AGM-A

• Approved Sellers access rates and submit loans through the efarmermac.com portal

• Seller requirements do not apply to USDA Guaranteed Loan sales
Inflation’s Migration Downward

![Graph showing inflation rates from 2019 to 2023 with Federal Reserve Target.]
Interest Rates Rising but Becoming “Normal”

Trends in Interest Rates

Source: Federal Reserve Bank of St. Louis FRED Database, Federal Reserve Bank of Kansas City Credit Survey, Farmer Mac Internal
Rural Employment Remains Tight but Risks Growing


30% of U.S. population in states with labor ticking towards recession based on Sahm Rule

- Mostly CA, few “rural” states
Farm Income Comes Down to Earth in ‘23

- USDA revised UP 2022 forecast to just under $190 billion
- Drop in 2023 expected on lower revenues and higher expenses
- Grain prices falling faster than projected
- Costs for fertilizer, fuel, and electricity/energy are significantly lower than projected

Source: USDA ERS Farm Income and Wealth Statistics, February 2023 Release
Change in Farm Incomes by Region

Year-over-year change in average Net Cash Farm Income

Source: USDA ERS
California Drought Watch is Over (for now)
Water Allocation Rebound

% of maximum contract allocation


- 2012: 65%
- 2013: 35%
- 2014: 5%
- 2015: 20%
- 2016: 60%
- 2017: 85%
- 2018: 35%
- 2019: 75%
- 2020: 20%
- 2021: 5%
- 2022: 5%
- 2023: 100%
Tree Nut Export Prices Continue to Diverge

- Almond
- Pistachio
- Walnuts
U.S. Pistachio Exports to China
Increased Almond Bearing Acreage Weighing on Prices

Ending Stocks Relative to Production

<table>
<thead>
<tr>
<th>Year</th>
<th>Ending Stocks</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010/11</td>
<td>15%</td>
</tr>
<tr>
<td>2011/12</td>
<td>15%</td>
</tr>
<tr>
<td>2012/13</td>
<td>15%</td>
</tr>
<tr>
<td>2013/14</td>
<td>15%</td>
</tr>
<tr>
<td>2014/15</td>
<td>15%</td>
</tr>
<tr>
<td>2015/16</td>
<td>20%</td>
</tr>
<tr>
<td>2016/17</td>
<td>20%</td>
</tr>
<tr>
<td>2017/18</td>
<td>15%</td>
</tr>
<tr>
<td>2018/19</td>
<td>10%</td>
</tr>
<tr>
<td>2019/20</td>
<td>15%</td>
</tr>
<tr>
<td>2020/21</td>
<td>15%</td>
</tr>
<tr>
<td>2021/22</td>
<td>30%</td>
</tr>
<tr>
<td>2022/23</td>
<td>20%</td>
</tr>
</tbody>
</table>
Blueberry Imports Cut Both Ways

Blueberry Imports
(1,000 MT)

Retail Blueberry Price
($ / pint)
Wine Grape Prices Return to “Normal”

Wine Grape Price Index
(2011 = 100)
Hay Prices Remain Elevated but Trending Lower
Dairy Prices Have Softened but Remain Elevated

Class III Milk Price

Historical

Futures Market
Fewer Cattle = Higher Feeder Cattle Prices
Other Hot Topics

West Coast Ports

China Ag Trade

Russia-Ukraine War
Farmland Values
West Coast Farmland Values Trending Higher

![Graph showing trends in farmland values]

- Idaho
- Oregon
- Washington
- California (RHS)
Farmland Values Holding Steady Despite Higher Costs

Average Fixed Interest Rate on Farmland Loans:
San Francisco Federal Reserve District

[Graph showing the average fixed interest rate on farmland loans from 2003 to 2023, with a peak of 7.04% in 2023.]
F&R Loan Purchase Road Map

• Review Product Guide, Underwriting Matrix and Daily Rate Sheets
• Gather required information using the Application Checklist
• Complete a new application in AgPower or AgXpress
• Receive a credit decision
• Order/Submit appraisal and preliminary title report
• Receive/Complete conditions prior to funding
• Rate lock loan
• Assemble closing documents and close loan
• Finalize loan purchase
• Perform field servicing duties
Property Eligibility

- Eligible Farm & Ranch real estate loans must be secured by a first mortgage
  - Properties
    - Parcels of land capable of producing ag commodities or products
    - May be improved by buildings, fixtures, and equipment
    - No minimum or maximum acreage requirements
      - Less than 5 acres must produce more than $5,000 in annual ag income
  - Not so typical farm ground (maybe over 5 acres but lower Ag income potential)
    - Facility loans are also eligible (including Equestrian facilities, Packing Houses, Dairies, etc.)
    - Highest/Best Use must state some form of Agricultural use
    - Collateral property’s zoning must be related to Agriculture/Ag Production
    - Properties with a transitional H&BU may be accepted, however, how far is the bulldozer away?
      - High-dollar properties with high-dollar homes may be difficult to finance
  - Call or email us if you have questions regarding property eligibility
Borrower Eligibility

• **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
  • Stand-alone entities and Trusts with no personal guarantee can be considered
    • Considered an exception if no personal guarantee exists
    • Compensating strengths would be required for approval (Strong LTV, D/A, TDC, etc.)
    • Remember for AgXpress all titleholders must be applicants
  • Call or email us if you have questions regarding borrower eligibility
# Underwriting Matrix

<table>
<thead>
<tr>
<th>Eligible Pricing Type</th>
<th>Fast Track</th>
<th>Full Underwrite</th>
<th>Full Underwrite</th>
<th>AgEquity RLOC</th>
<th>AgAssist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Debt Coverage</td>
<td>Choice</td>
<td>Standard</td>
<td>Choice</td>
<td>≥ 1.35; must meet TDC after 3% rate shock</td>
<td>≥ 1.10</td>
</tr>
<tr>
<td>(See Seller/Servicer Guide, Section 202.3)</td>
<td>≥ 1.00 for 2 year average</td>
<td>≥ 1.25</td>
<td>≥ 1.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Ratio</td>
<td>≥ 1.00</td>
<td>≥ 1.25</td>
<td>≥ 1.50</td>
<td>≥ 1.25</td>
<td>≥ 1.00</td>
</tr>
<tr>
<td>Debt to Asset</td>
<td>≤ 40%</td>
<td>≤ 50%</td>
<td>≤ 40%</td>
<td>≤ 50%</td>
<td>≤ 60%</td>
</tr>
<tr>
<td>Loan-to-Value</td>
<td>≤ 55%</td>
<td>&lt; 70%*</td>
<td>≤ 60%</td>
<td>≤ 50%**</td>
<td>≤ 45% FAMC LTV ≤ 85% CLTV</td>
</tr>
<tr>
<td>Credit Score (FICO)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Individual borrowers/guarantors)</td>
<td>≥ 720</td>
<td></td>
<td></td>
<td></td>
<td>≥ 680</td>
</tr>
<tr>
<td>D&amp;B PAYDEX Score</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
<td>≥ 70</td>
</tr>
<tr>
<td>(required if no individual borrowers/guarantors)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan Size</td>
<td>No minimum</td>
<td>No minimum</td>
<td>Minimum: $50,000</td>
<td>No minimum</td>
<td></td>
</tr>
<tr>
<td>(See Seller/Servicer Guide, Section 202.5)</td>
<td>≤ $3.0 mil</td>
<td>≤ 2000 acres: $50.0 mil</td>
<td>Maximum: $15.9 mil</td>
<td>≤ 2000 acres: $50.0 mil</td>
<td></td>
</tr>
<tr>
<td>Cash-Out</td>
<td>Unlimited</td>
<td>≤ 10%; unlimited cash out if amortization is 15 years or less and LTV is ≤ 60%.</td>
<td>Allowed if not for consumer purpose.</td>
<td>Unlimited</td>
<td></td>
</tr>
<tr>
<td>Recent Tax Returns</td>
<td>2 years</td>
<td></td>
<td>Minimum 3 years; 4 years alternate bearing.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Commodity Pricing Guidelines

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Price Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Corn (state adj.)</td>
<td>$ 4.70 / bushel</td>
</tr>
<tr>
<td></td>
<td>$ 168 / short ton</td>
</tr>
<tr>
<td>National Soybeans (state adj.)</td>
<td>$ 11.00 / bushel</td>
</tr>
<tr>
<td></td>
<td>$ 367 / short ton</td>
</tr>
<tr>
<td>National Wheat (state adj.)</td>
<td>$ 6.30 / bushel</td>
</tr>
<tr>
<td></td>
<td>$ 210 / short ton</td>
</tr>
<tr>
<td>Cotton-Lint</td>
<td>$ 0.80 / lbs</td>
</tr>
<tr>
<td>Alfalfa (state adj.)</td>
<td>Dependent on region, quality, and expected use</td>
</tr>
<tr>
<td>Milk (National)</td>
<td>$ 17.85 / cwt Class III</td>
</tr>
<tr>
<td></td>
<td>$ 19.50 / cwt Mailbox</td>
</tr>
<tr>
<td>Cattle &amp; Calves - Beef</td>
<td>$140.00 / cwt Fat</td>
</tr>
<tr>
<td></td>
<td>$ 170.00 / cwt Feeder</td>
</tr>
<tr>
<td>Hogs</td>
<td>Integrator contracts and risk management usage</td>
</tr>
<tr>
<td>Poultry</td>
<td>Integrator contracts and risk management usage</td>
</tr>
<tr>
<td>Wine Grapes</td>
<td>Contracted prices</td>
</tr>
<tr>
<td>Veg./Other Field Crops</td>
<td>Contracted prices</td>
</tr>
<tr>
<td>Almonds</td>
<td>$ 2.10 / lbs</td>
</tr>
<tr>
<td>Pistachios</td>
<td>$ 2.30 / lbs</td>
</tr>
<tr>
<td>Walnuts</td>
<td>$ 0.75 / lbs</td>
</tr>
</tbody>
</table>
California Water

- What is the primary source and location of water?
  - Single or dual sources?
  - Surface water supplies vs. Ground Water supplies.
  - Wells?

- Water quantity and quality.
  - Water due diligence upon receipt of appraisal is key!
  - Agricultural Water Supply Questionnaire Form 1020

- Due diligence on GSA and GSP
  - How much water is needed for the planting to grow?
  - Does cash flow at the current LTV level when considering potential pumping restrictions

- How will SGMA impact them?
  - Some ground pushed out/fallowed/transferred/etc.
  - Capability of installing a new well if needed?

- If needed a SGMA review by a 3rd party may be required
AgXpress – Streamlined Approval

- Credit score-based model (FICO)
  - Recommended score of >= 720
- Simplified application process delivering a faster credit decision
- Bypass most traditional loan onboarding requirements and reduce the time needed to submit a loan
- No restrictions on use of funds
- All commodities are eligible
- Monthly, quarterly, and semi-annual payment frequencies allowed
- All title holders must be applicants (may include non-title holders)
• Maximum Loan Size
  • Multiple AgXpress loan submissions up to an aggregate maximum of $3 million

• Documentation
  • Two years of tax returns required on all applicants (individual and entities) when total AgXpress exposure exceeds $1.5 million

• Collateral
  • LTV maximum of 65%
  • Maximum contributory value of dwellings $750,000
  • Structural improvements values at 25% of the total collateral value

• Resource Library
  • Updated AgXpress eligibility, document manager, rate lock, and purchase request guides and FAQs
AgXpress – Calculator

**Total Collateral Value Calculator**

Complete all applicable orange boxes below to determine the estimated total collateral value and loan-to-value (LTV) for an AgXpress transaction. The LTV and maximum loan amount will calculate automatically based on the inputs.

- **$5 million max loan amount**
- **Total max exposure per applicant $6 million**
- **65% max LTV**
- **Choice pricing ± 55% and Standard pricing ≥ 55.01%**

**Description** | **Number of Acres** | **Value per Acre** | **Total** |
--- | --- | --- | --- |
Estimated Bareland | 65 | 25,000.00 | 1,625,000.00 |
Permanent Plantings (2) | + | + | + |
Dwellings/Residences (3) | + | + | + |
Structural Improvements (5) | + | + | + |
**Total Estimated Appraised Value** = | 3,675,000.00 |

1. Non-structural improvements such as permanent plantings and irrigation equipment. Timer itself is not an eligible permanent crop if the property includes timber ground, the collateral must exclude the timber value.
2. Any dwelling/residence that has value (unoccupied, owner, and non-owner occupied is acceptable).
3. Non-residential improvements, including highly specialised improvements, used solely for ag purposes in which the use is exclusively in connection with the production, harvesting, storage, drying, or processing of agricultural commodities. Common examples include barns, outbuildings, grain storage, silos, etc.

**Loan-to-Value Estimator**

The values below will automatically compute based on the inputs made with the Total Collateral Value Calculator above. For the purposes of calculating LTV, please note the maximum permissible contributory value for each category, shown below:

- **Bare Land (max 100%)** = 1,625,000.00
- **Permanent Plantings (max 100%)** + 1,200,000.00
- **Dwellings/Residences (max $750,000)** + 650,000.00
- **Structural Improvements (max 25% of total collateral value)** + 200,000.00

**Lendable Value =** 3,675,000.00

**Advance Rate X 65%**

**Maximum Loan Amount $** 2,388,750.00

**Effective LTV% 65%**
AgXpress - How it Works

• Submit Application
  • Seller completes a simple online application via Farmer Mac’s customer portal (efarmermac.com)

• Application Review
  • Farmer Mac will process the application, which includes pulling a credit report on all applications (DUNS for businesses)

• Credit Decision
  • Expect a credit decision from Farmer Mac within one business day
  • If approved, follow the standard process for appraisal, title, rate lock, closing, and purchase activities
Farmer Mac Seller/Servicer Guide

• Farmer Mac Seller/Servicer Guide can be found in the Resource Library
F&R Loan Purchase Road Map

- Review Product Guide, Underwriting Matrix and Daily Rate Sheets
- Gather required information using the Application Checklist
- Complete a new application in AgPower or AgXpress
- Receive a credit decision
  - Order/Submit appraisal and preliminary title report
  - Receive/Complete conditions prior to funding
- Rate lock loan
- Assemble closing documents and close loan
- Finalize loan purchase
- Perform field servicing duties
Collateral Valuation Standards & Guidelines

• All loans require a current appraisal report with a date of value within one year of the loan purchase.

• The appraisal must be completed by a licensed Certified General Real Estate Appraiser.
  • If the highest and best use of the proposed security is as a rural residential use property AND the property is improved with an existing residence with significant contributory value a Certified Residential Appraiser is acceptable.

• The appraisal must be USPAP compliant and meet the Farmer Mac Collateral Valuation requirements.
Loan Closing & Servicing

• Seller works with Central Servicer through the loan closing process
  • Purchase options: table-funding or traditional purchase

• Central Servicing is the responsibility of Farmer Mac
  • Assists Seller with loan closing and sale
  • Bills and collects payments from the borrower

• Field Servicing is the responsibility of the Seller
  • Maintain ongoing relationship with the borrower
  • Monitor payment of real estate taxes and hazard insurance
  • File UCC continuations
  • If requested, forward annual balance sheet and tax returns
  • If requested, inspect property
## Farm & Ranch Rates  
(as of 6/26/23)

<table>
<thead>
<tr>
<th>Products</th>
<th>Term</th>
<th>Amortization</th>
<th>Standard Rates</th>
<th>Choice Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ag Equity VRM</td>
<td>25</td>
<td>30</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>1-month VRM</td>
<td>15</td>
<td>20</td>
<td>25</td>
<td>30</td>
</tr>
<tr>
<td>1-year VRM</td>
<td>15</td>
<td>20</td>
<td>25</td>
<td>30</td>
</tr>
<tr>
<td>3-year VRM</td>
<td>15</td>
<td>20</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>3-year VRM</td>
<td>25</td>
<td>30</td>
<td>25</td>
<td>30</td>
</tr>
<tr>
<td>5-year VRM</td>
<td>15</td>
<td>20</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>5-year VRM</td>
<td>25</td>
<td>30</td>
<td>25</td>
<td>30</td>
</tr>
<tr>
<td>10-year VRM</td>
<td>15</td>
<td>20</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>10-year VRM</td>
<td>25</td>
<td>30</td>
<td>25</td>
<td>30</td>
</tr>
<tr>
<td>15-year VRM</td>
<td>20</td>
<td>20</td>
<td>7.12%</td>
<td>6.77%</td>
</tr>
<tr>
<td>15-year VRM</td>
<td>25</td>
<td>30</td>
<td>25</td>
<td>30</td>
</tr>
<tr>
<td>7-year Fixed</td>
<td>7</td>
<td>15</td>
<td>25</td>
<td>6.70%</td>
</tr>
<tr>
<td>10-year Fixed</td>
<td>10</td>
<td>10</td>
<td>6.74%</td>
<td>6.39%</td>
</tr>
<tr>
<td>15-year Fixed</td>
<td>15</td>
<td>15</td>
<td>6.97%</td>
<td>6.62%</td>
</tr>
<tr>
<td>15-year Fixed</td>
<td>15</td>
<td>25</td>
<td>7.22%</td>
<td>6.87%</td>
</tr>
<tr>
<td>20-year Fixed</td>
<td>20</td>
<td>20</td>
<td>7.14%</td>
<td>6.79%</td>
</tr>
<tr>
<td>25-year Fixed</td>
<td>25</td>
<td>25</td>
<td>7.27%</td>
<td>6.92%</td>
</tr>
<tr>
<td>30-year Fixed</td>
<td>30</td>
<td>30</td>
<td>7.33%</td>
<td>6.98%</td>
</tr>
</tbody>
</table>
Pricing a Loan

- Start by checking the Farmer Mac Net Yield on the rate sheet
- Does the loan qualify for Standard or Choice pricing?
- Is your institution an ABA member?
- Is 4-weeks enough time to close the loan?
- What is the payment frequency?
  - Monthly, semi-annual or annual
- Add your Field Servicing Fee
  - 0.10% to a maximum 1.50%
  - Fee is paid after each scheduled payment
- Pair-off fee applies for non-delivery
  - 1.00% to 1.25%
F&R Average Field Servicing Fees (2022)

National Average
54 bps
## Recent F&R Loan Transactions

<table>
<thead>
<tr>
<th>State</th>
<th>Commodity</th>
<th>Program</th>
<th>Amount</th>
<th>LTV</th>
<th>Acres</th>
<th>Product</th>
<th>Note Rate</th>
<th>Servicing Fee</th>
<th>Quality</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA</td>
<td>Lemons</td>
<td>Full Underwrite</td>
<td>$2,500,000</td>
<td>52%</td>
<td>63</td>
<td>5 Year VRM</td>
<td>6.65%</td>
<td>0.45% Choice</td>
<td></td>
<td>8/1/2053</td>
</tr>
<tr>
<td>WA</td>
<td>Alfalfa</td>
<td>Fast Track</td>
<td>$1,800,000</td>
<td>36%</td>
<td>1,623</td>
<td>5 Year VRM</td>
<td>6.30%</td>
<td>0.60% Choice</td>
<td></td>
<td>7/1/2053</td>
</tr>
<tr>
<td>OR</td>
<td>Cucumbers</td>
<td>AgEquity</td>
<td>$845,000</td>
<td>58%</td>
<td>79</td>
<td>RLOC 5 YR Draw</td>
<td>7.50%</td>
<td>0.40% Standard</td>
<td></td>
<td>7/1/2053</td>
</tr>
<tr>
<td>NM</td>
<td>Corn</td>
<td>Full Underwrite</td>
<td>$1,412,000</td>
<td>51%</td>
<td>8,316</td>
<td>20-Yr Fixed</td>
<td>7.84%</td>
<td>0.45% Standard</td>
<td></td>
<td>1/1/2043</td>
</tr>
<tr>
<td>CA</td>
<td>Livestock</td>
<td>Full Underwrite</td>
<td>$546,000</td>
<td>60%</td>
<td>27</td>
<td>5 Year VRM</td>
<td>7.45%</td>
<td>1.05% Standard</td>
<td></td>
<td>8/1/2053</td>
</tr>
<tr>
<td>OR</td>
<td>Wine Grapes</td>
<td>Full Underwrite</td>
<td>$4,375,000</td>
<td>70%</td>
<td>118</td>
<td>5 Year VRM</td>
<td>6.80%</td>
<td>0.85% Standard</td>
<td></td>
<td>4/1/2048</td>
</tr>
<tr>
<td>NV</td>
<td>Alfalfa</td>
<td>Full Underwrite</td>
<td>$6,637.50</td>
<td>58%</td>
<td>153,239</td>
<td>5 Year VRM</td>
<td>6.86%</td>
<td>0.60% Choice</td>
<td></td>
<td>2/21/2028</td>
</tr>
</tbody>
</table>
## Recent AgXpress Loan Transactions

<table>
<thead>
<tr>
<th>State</th>
<th>Commodity</th>
<th>Program</th>
<th>Amount</th>
<th>LTV</th>
<th>Acres</th>
<th>Product</th>
<th>Note Rate</th>
<th>Servicing Fee</th>
<th>Quality</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA</td>
<td>Hay/Field Crops/Horses&amp;Mules</td>
<td>AgXpress</td>
<td>$2,010,000.00</td>
<td>41%</td>
<td>28</td>
<td>5 Year VRM</td>
<td>6.75%</td>
<td>0.87%</td>
<td>Choice</td>
<td>6/1/2033</td>
</tr>
<tr>
<td>OR</td>
<td>Alfalfa/Corn</td>
<td>AgXpress</td>
<td>$738,583.00</td>
<td>13%</td>
<td>498</td>
<td>3 Year VRM</td>
<td>6.10%</td>
<td>0.44%</td>
<td>Choice</td>
<td>6/1/2033</td>
</tr>
<tr>
<td>OR</td>
<td>Alfalfa</td>
<td>AgXpress</td>
<td>$520,000.00</td>
<td>65%</td>
<td>76</td>
<td>5 Year VRM</td>
<td>6.75%</td>
<td>0.60%</td>
<td>Standard</td>
<td>7/1/2033</td>
</tr>
<tr>
<td>WA</td>
<td>Apples</td>
<td>AgXpress</td>
<td>$1,284,900.00</td>
<td>65%</td>
<td>80</td>
<td>5 Year VRM</td>
<td>6.59%</td>
<td>0.59%</td>
<td>Standard</td>
<td>7/1/2028</td>
</tr>
<tr>
<td>WA</td>
<td>Pear/Apples</td>
<td>AgXpress</td>
<td>$310,000.00</td>
<td>46%</td>
<td>35</td>
<td>5 Year VRM</td>
<td>6.95%</td>
<td>0.53%</td>
<td>Choice</td>
<td>7/1/2048</td>
</tr>
<tr>
<td>CA</td>
<td>Ranch Cattle/Calves</td>
<td>AgXpress</td>
<td>$225,000.00</td>
<td>29%</td>
<td>156</td>
<td>10-Yr Fixed</td>
<td>6.50%</td>
<td>0.74%</td>
<td>Choice</td>
<td>6/1/2033</td>
</tr>
<tr>
<td>CA</td>
<td>Greenhouse/Nursery Products</td>
<td>AgXpress</td>
<td>$1,000,000.00</td>
<td>29%</td>
<td>29</td>
<td>5 Year VRM</td>
<td>6.23%</td>
<td>0.50%</td>
<td>Choice</td>
<td>4/1/2033</td>
</tr>
<tr>
<td>WA</td>
<td>Alfalfa/Potatoes</td>
<td>AgXpress</td>
<td>$325,000.00</td>
<td>30%</td>
<td>68</td>
<td>15-Yr Fixed</td>
<td>7.05%</td>
<td>0.60%</td>
<td>Choice</td>
<td>1/1/2038</td>
</tr>
<tr>
<td>CA</td>
<td>Olives</td>
<td>AgXpress</td>
<td>$950,000.00</td>
<td>48%</td>
<td>49</td>
<td>5 Year VRM</td>
<td>6.56%</td>
<td>0.70%</td>
<td>Choice</td>
<td>1/1/2053</td>
</tr>
</tbody>
</table>
Purchase Commitments (LTSPC)
How Does LTSPC Work?

Two legal documents support the program:

• LTSPC Agreement
  • Farmer Mac commits to purchase loans in the pool if they become 90 days delinquent
  • Lender pays annual 0.50% fee on a monthly basis
  • Covers loans in the initial pool and subsequent loans
• Master Central Servicing Agreement (MCSA)
  • MCSA is dormant until Farmer Mac buys a loan out of the LTSPC pool and the lender begins servicing the loan for Farmer Mac
The Long-Term Standby Purchase Commitment (LTSPC) program enables lenders to:

• Reduce credit risk on a loan level basis
• Manage commodity, geographic and borrower concentrations
• Free up capital through risk-weighting loans at 20% versus 100% for portfolio loans
• Exclude loans from internal lending limit calculations
• Repurchase sold participations, improving related profits
• Reduce reserve requirements for potential loan losses
Advantages of Selling USDA Guarantees

- No Farmer Mac underwriting
- Lender services 100% of the loan
- One stop for reporting and servicing
- Lender receives fee income over life of the loan
- Historical average servicing fee is over 100 bps
- Competitive rate sheet, including long-term fixed rates
- Customizable terms
- No prepayment penalties
- Flexible servicing action options
Eligible USDA Programs

- Farm Service Agency
  - Farm Ownership Loans
  - Operating Term Loans
  - Conservation Loans

- Rural Development
  - Business and Industry Loans
  - Community Facility Loans
  - Water and Environmental Loans
USDA-FSA Guarantee Loan Sale Example

$2,037,000
Farm Ownership Loan
with a 90% FSA Guarantee

Lender retains 10% of the balance: $203,700

Farmer Mac purchases 90% of the balance: $1,833,300
<table>
<thead>
<tr>
<th>Products</th>
<th>Monthly Pay Cash</th>
<th>Monthly Pay 4-Week Rate Lock</th>
<th>Annual, S.A., &amp; Qrlyy Pay Cash</th>
<th>Annual, S.A., &amp; Qrlyy Pay 4-Week Rate Lock</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wall Street Journal Prime</td>
<td>7.50%</td>
<td>N/A</td>
<td>7.50%</td>
<td>N/A</td>
</tr>
<tr>
<td>Farmer Mac 3-Mo COFI</td>
<td>6.35%</td>
<td>N/A</td>
<td>6.35%</td>
<td>N/A</td>
</tr>
<tr>
<td>Farmer Mac 5-Yr Reset COFI; 20-, 25-, 30-Yr Am</td>
<td>5.66%</td>
<td>5.75%</td>
<td>5.76%</td>
<td>5.85%</td>
</tr>
<tr>
<td>Farmer Mac 10-Yr Reset COFI; 20-, 25-, 30-Yr Am</td>
<td>6.21%</td>
<td>6.30%</td>
<td>6.31%</td>
<td>6.40%</td>
</tr>
<tr>
<td>Farmer Mac 15-Yr Reset COFI; 20-, 25-, 30-Yr Am</td>
<td>6.38%</td>
<td>6.47%</td>
<td>6.48%</td>
<td>6.57%</td>
</tr>
<tr>
<td>7-Yr Fixed Rate, 7-Yr Am</td>
<td>5.64%</td>
<td>5.73%</td>
<td>5.74%</td>
<td>5.83%</td>
</tr>
<tr>
<td>7-Yr Fixed Rate, 15-Yr Am</td>
<td>5.73%</td>
<td>5.82%</td>
<td>5.83%</td>
<td>5.92%</td>
</tr>
<tr>
<td>10-Yr Fixed Rate, 10-Yr Am</td>
<td>5.80%</td>
<td>5.89%</td>
<td>5.90%</td>
<td>5.99%</td>
</tr>
<tr>
<td>15-Yr Fixed Rate, 15-Yr Am</td>
<td>6.07%</td>
<td>6.16%</td>
<td>6.17%</td>
<td>6.26%</td>
</tr>
<tr>
<td>15-Yr Fixed Rate, 25-Yr Am</td>
<td>6.33%</td>
<td>6.42%</td>
<td>6.43%</td>
<td>6.52%</td>
</tr>
<tr>
<td>20-Yr Fixed Rate, 20-Yr Am</td>
<td>6.26%</td>
<td>6.35%</td>
<td>6.36%</td>
<td>6.45%</td>
</tr>
<tr>
<td>25-Yr Fixed Rate, 25-Yr Am</td>
<td>6.41%</td>
<td>6.50%</td>
<td>6.51%</td>
<td>6.60%</td>
</tr>
<tr>
<td>30-Yr Fixed Rate, 30-Yr Am</td>
<td>6.44%</td>
<td>6.53%</td>
<td>6.54%</td>
<td>6.63%</td>
</tr>
</tbody>
</table>
Contact Us

Client Services & Rate Lock
Clientservices@farmermac.com
866-452-2617
Rate Lock Hours: 9am – 2pm CT

Business Development
opportunities@farmermac.com
800-879-3276

Underwriting
Farm_ranch_underwriting_group@farmermac.com
866-452-2617

Farmer Mac Closing
farmandranchclosing@farmermac.com
866-854-6484

Farmer Mac Servicing
servicing@farmermac.com
866-311-3292

Farmer Mac 2
fm2@farmermac.com
877-770-3644
2023 Road Shows

September 11 – Quincy, IL
September 12 – Champaign, IL
September 13 – Indianapolis, IN
September 14 – Columbus, OH
September 18 – Owatonna, MN
September 19 – Wisconsin Dells, WI
September 20 – Iowa City, IA
September 21 – Columbia, MO

September 26 – Sacramento, CA
September 27 – Fresno, CA
September 28 – Pismo Beach, CA
Thank you