



Federal Agricultural Mortgage Corporation

Increasing the availability and affordability of credit.

West Coast Ag Lender Update

June 29, 2023



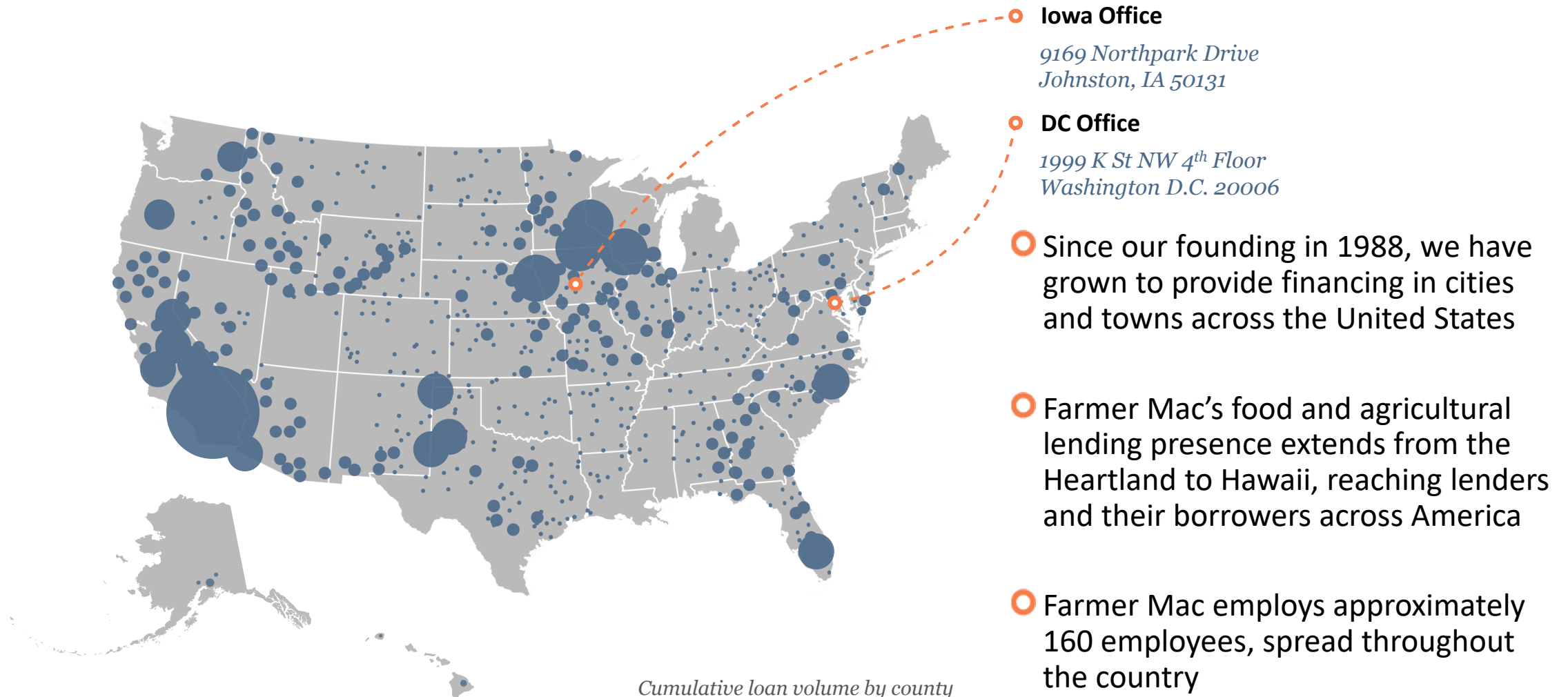
ABOUT US

*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
- Publicly-traded (“AGM” / NYSE) Government Sponsored Enterprise
- 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)



NATIONWIDE COVERAGE

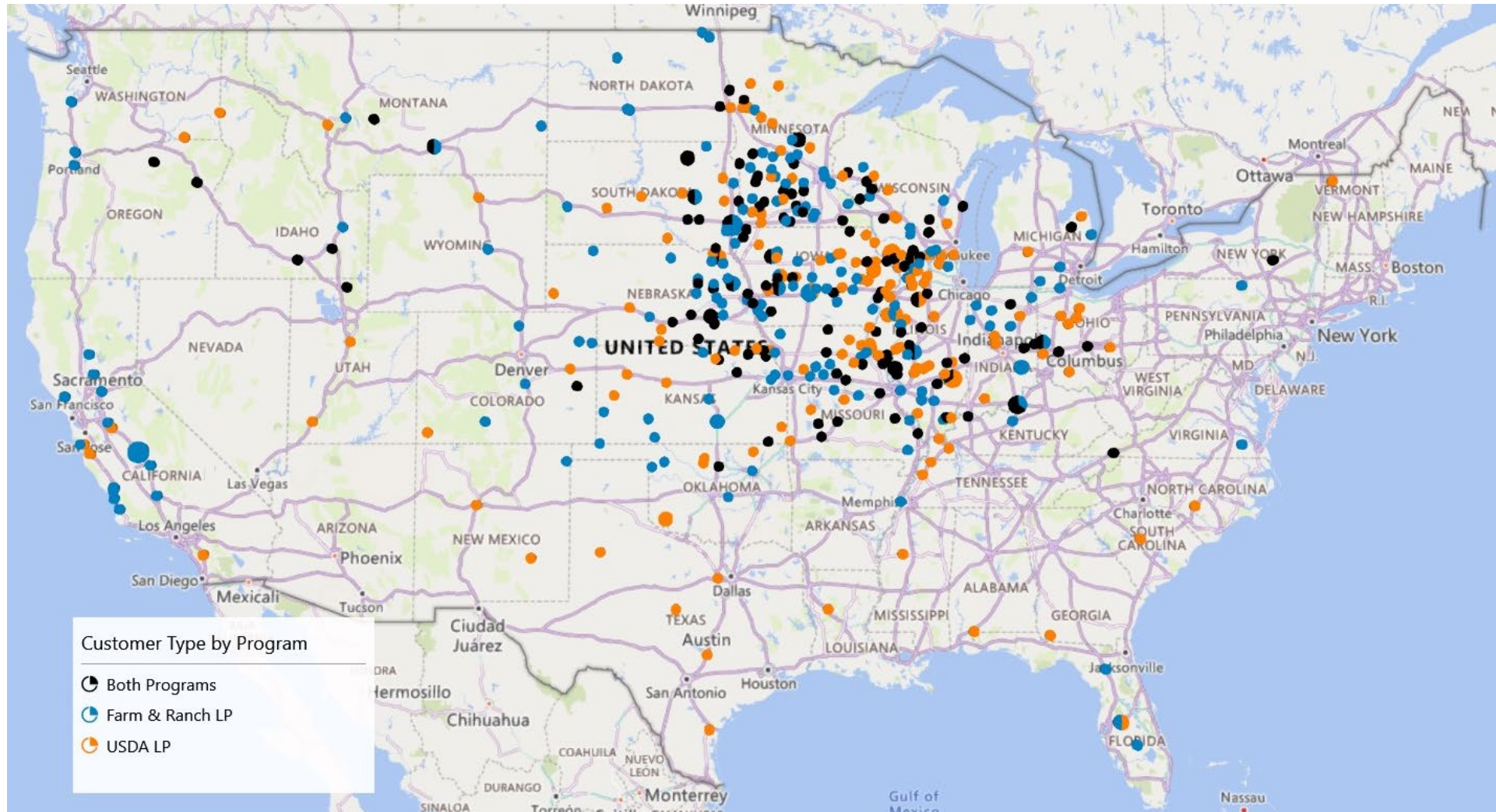


Advantages of the Secondary Market

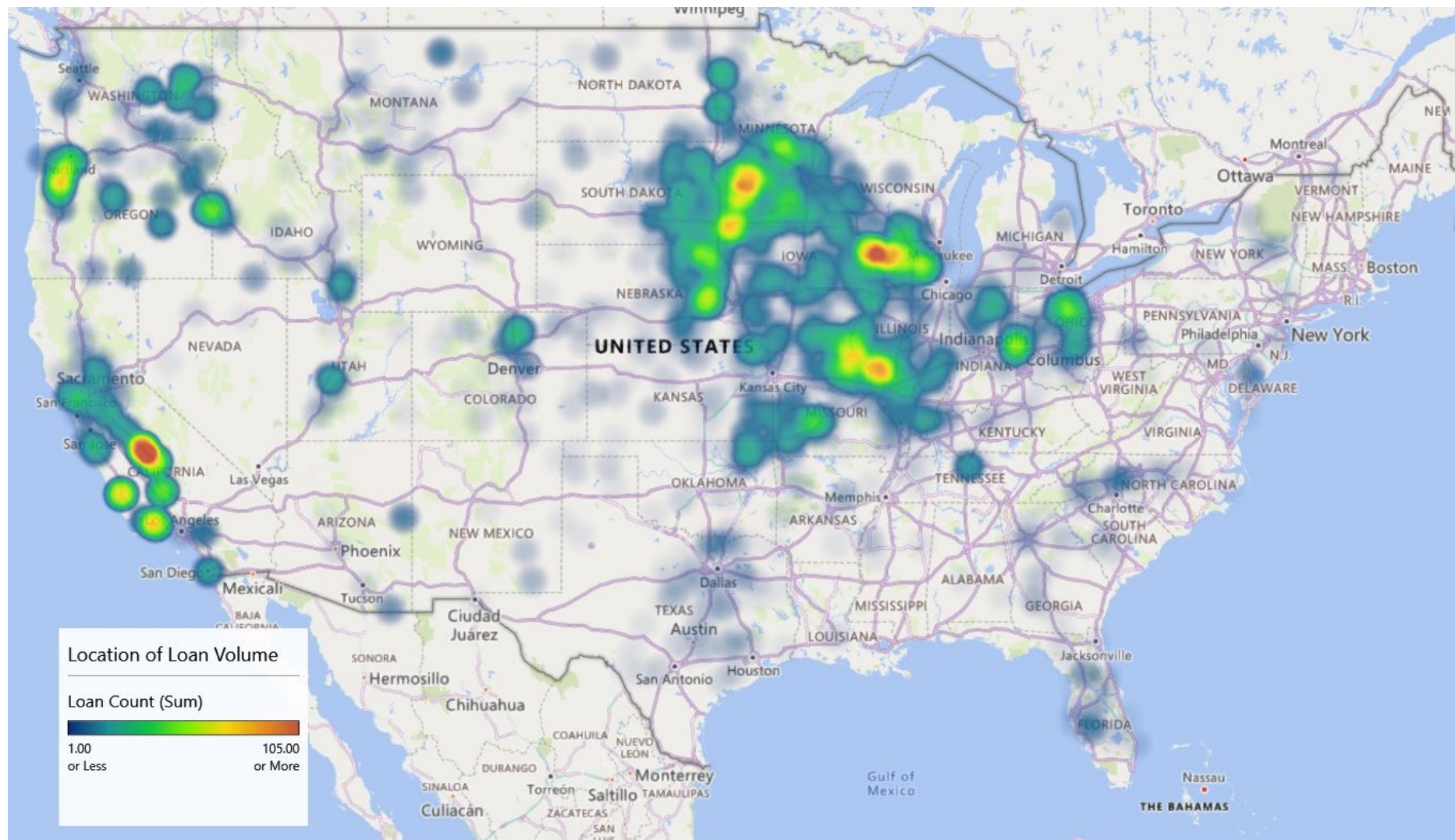
- No credit or interest rate risk to the lender
- Does not tie up lender's capital
- Tool to attract and retain farm customers
- Wide variety of competitive loan products
- Significant fee income opportunities



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

Consolidated Assets

Up to \$250 Million

\$250- \$700 Million

Over \$700 Million

Stock Ownership*

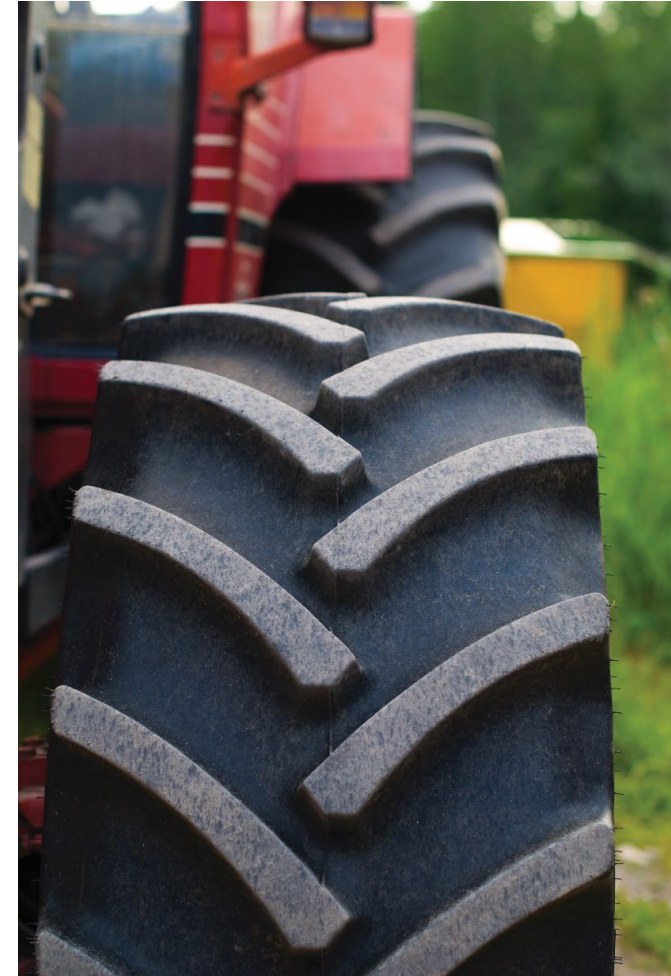
50 shares of Class A or Class C

100 shares of Class A or Class C

250 shares of Class A or Class C

*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

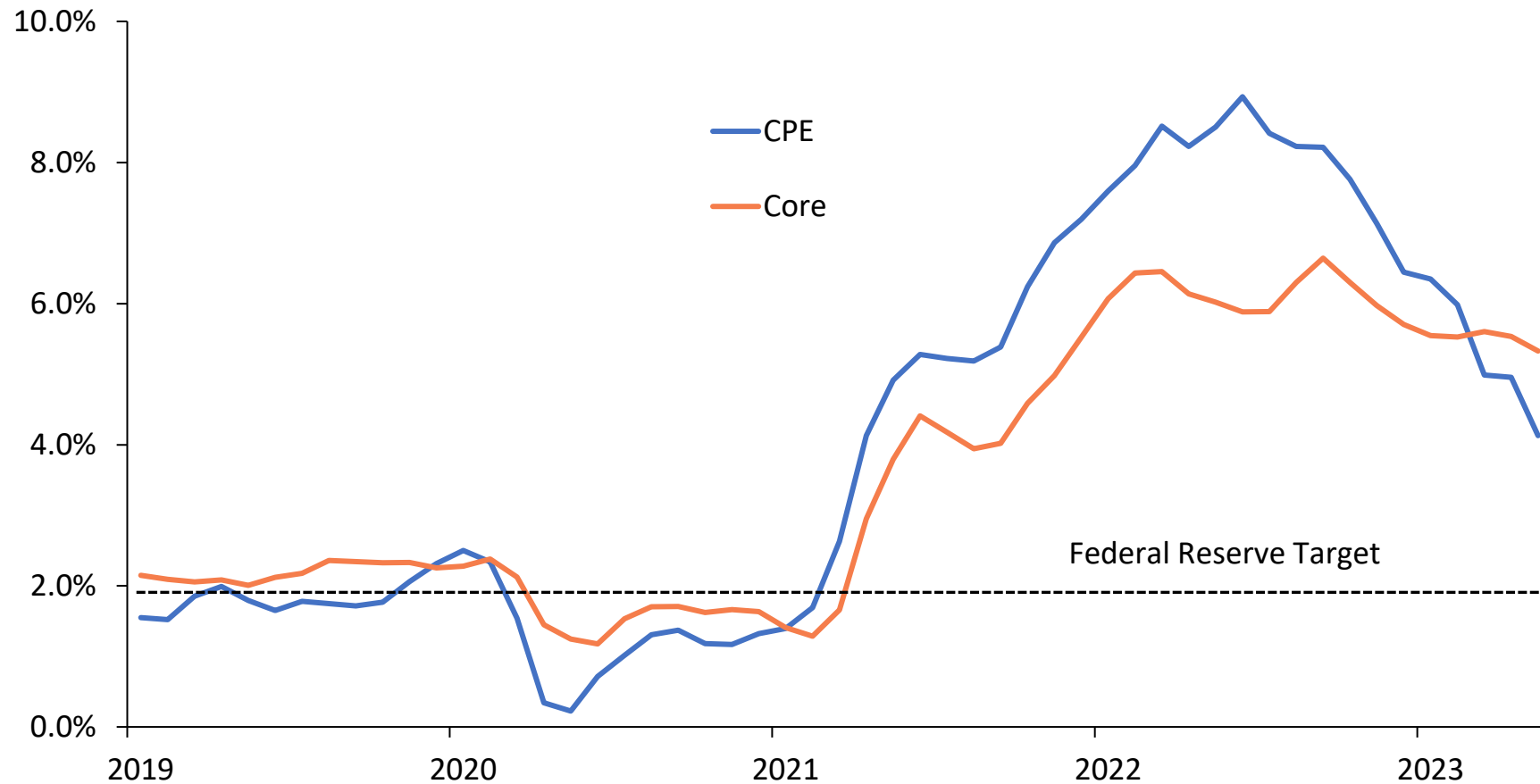




FARMER MAC

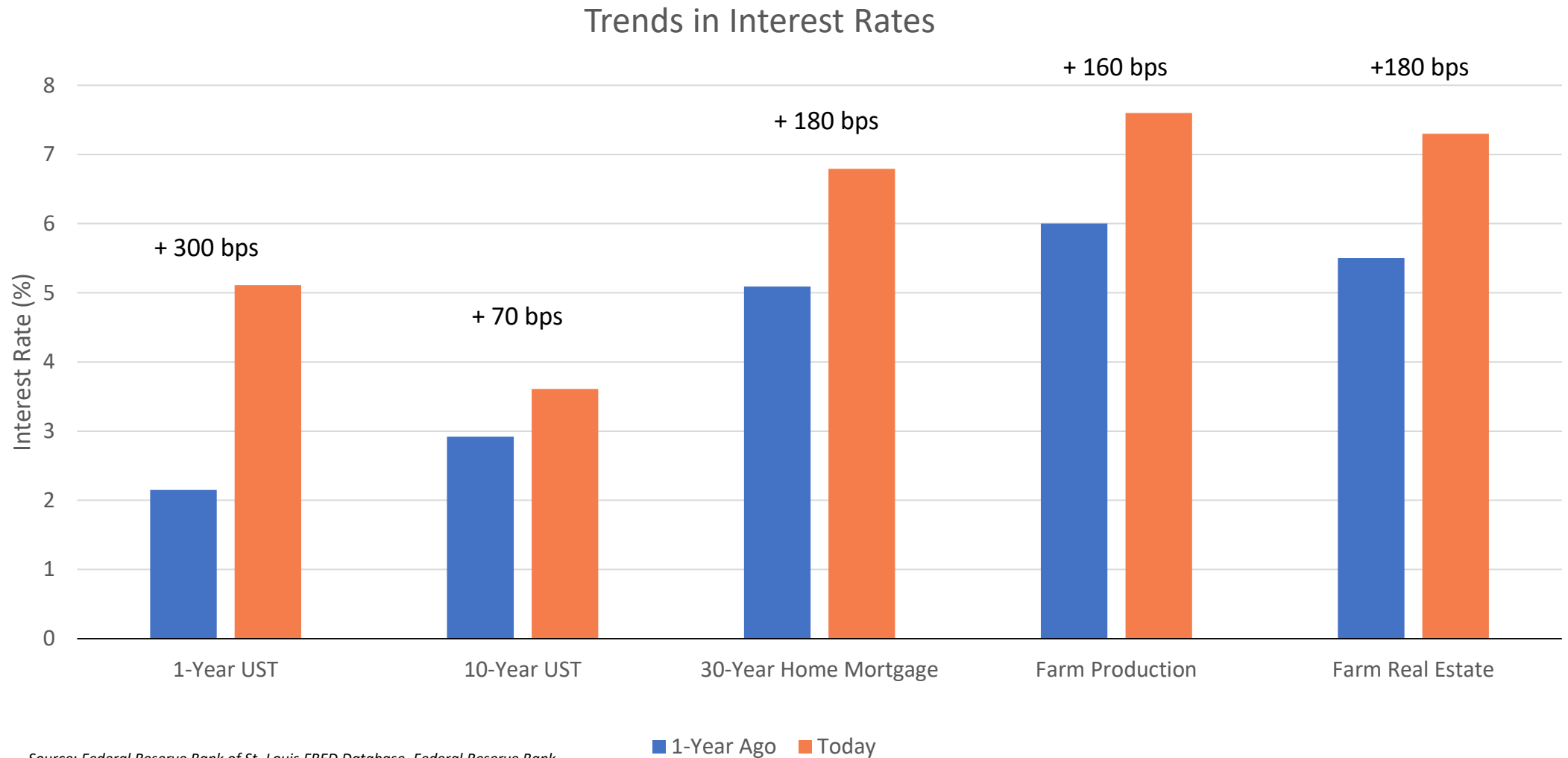
Economic Outlook

Inflation's Migration Downward





Interest Rates Rising but Becoming “Normal”




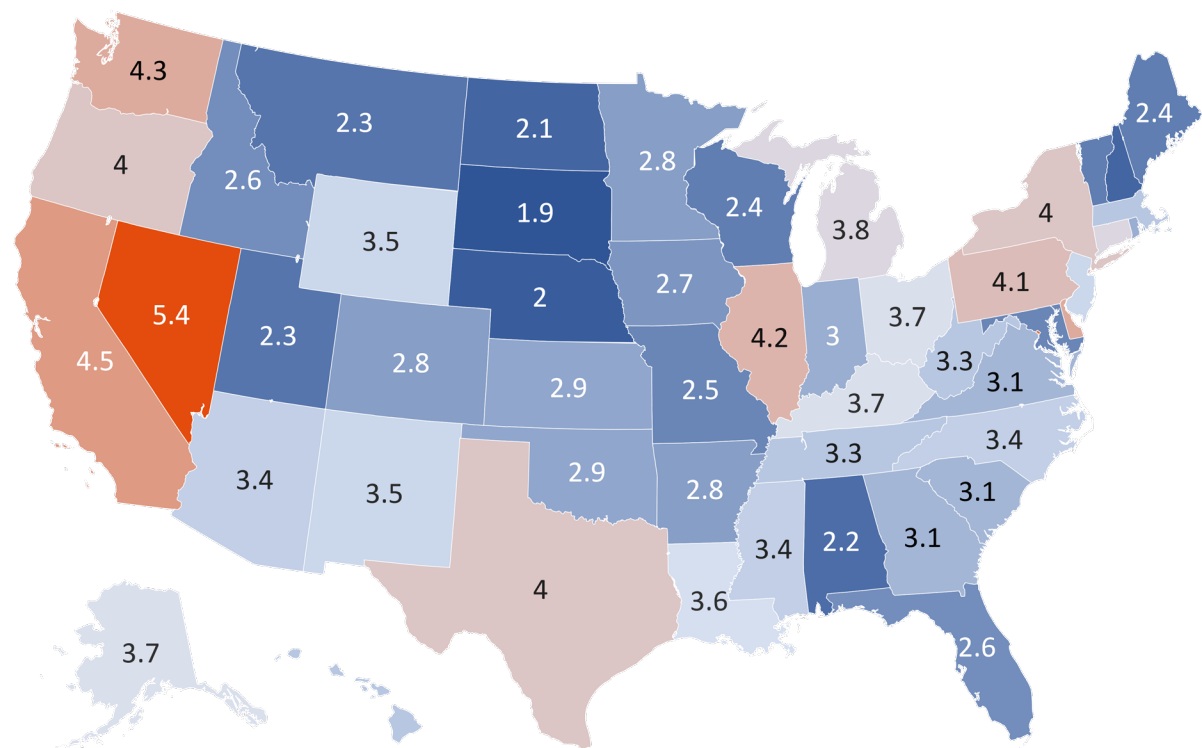
Source: Federal Reserve Bank of St. Louis FRED Database, Federal Reserve Bank of Kansas City Credit Survey, Farmer Mac Internal



Rural Employment Remains Tight but Risks Growing

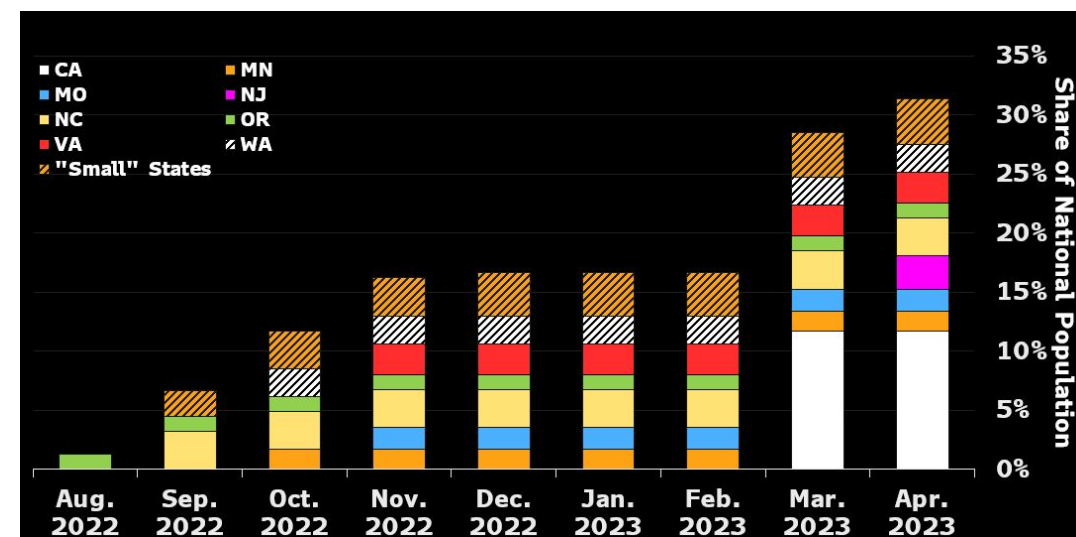
State-Level Unemployment Rates

April Unemployment Rate 
1.9 3.65 5.4



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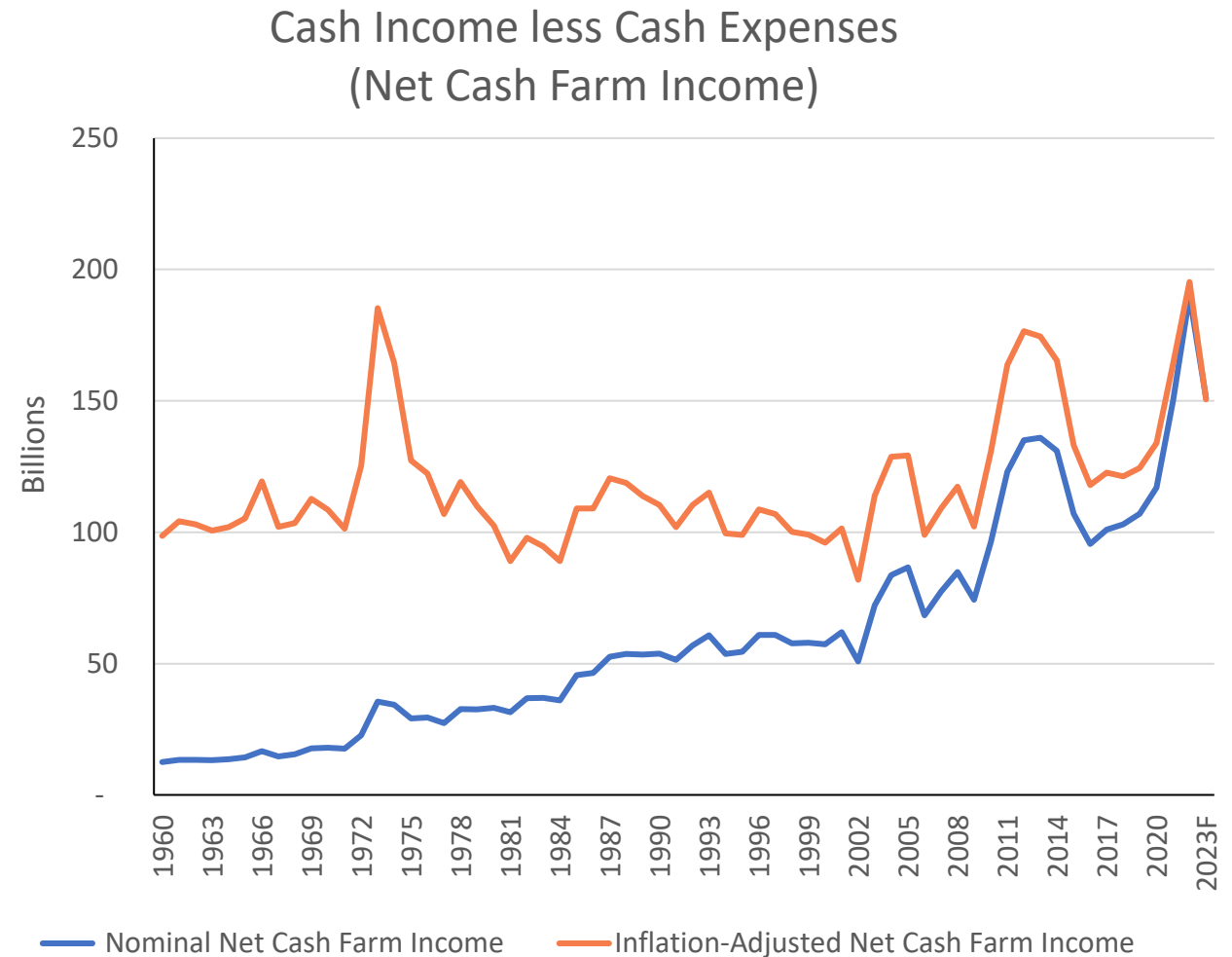
% of Population in States Meeting Sahm Rule of Early Recession



- 30% of U.S. population in states with labor ticking towards recession based on Sahm Rule
- Mostly CA, few “rural” states

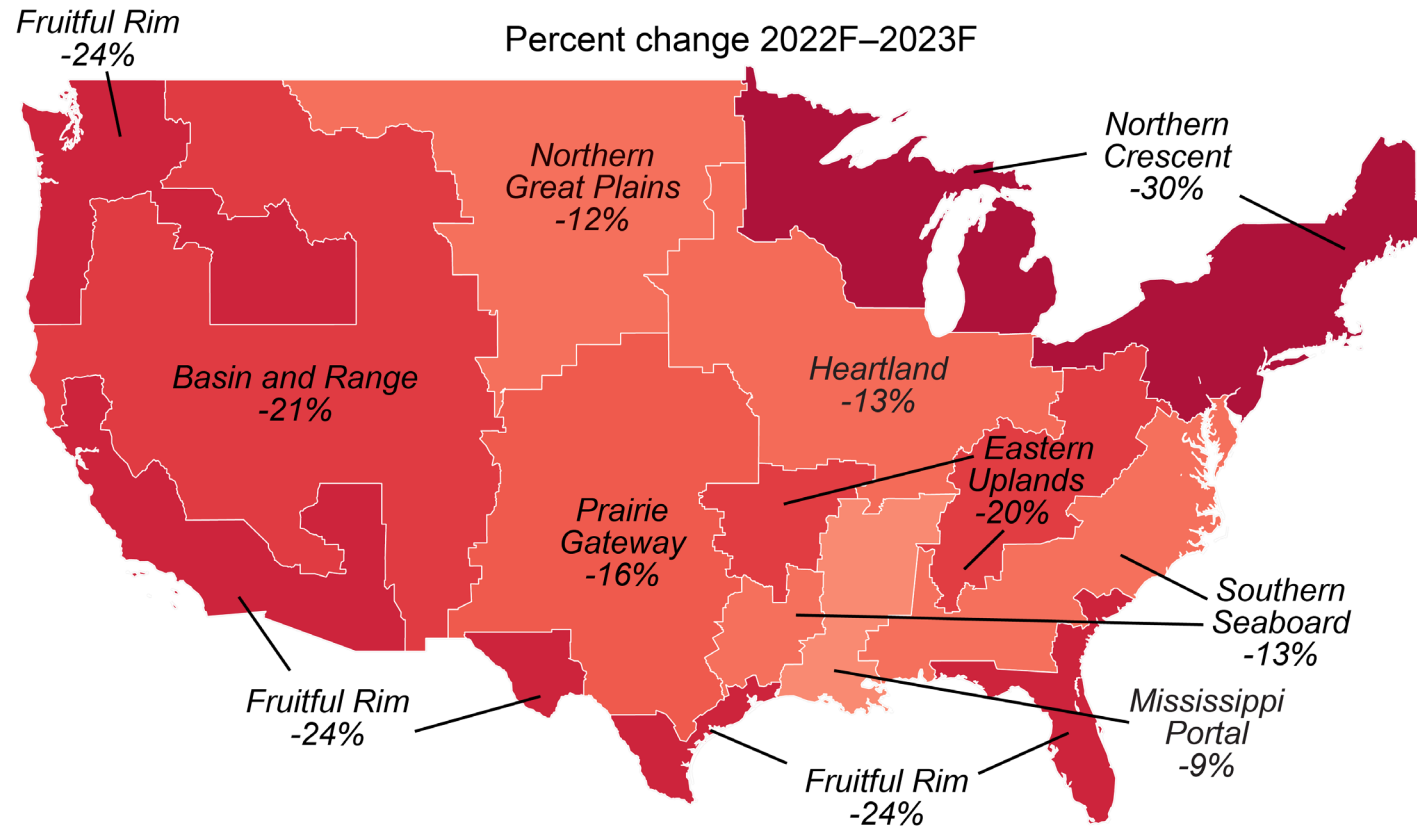
Farm Income Comes Down to Earth in '23

- 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



Change in Farm Incomes by Region

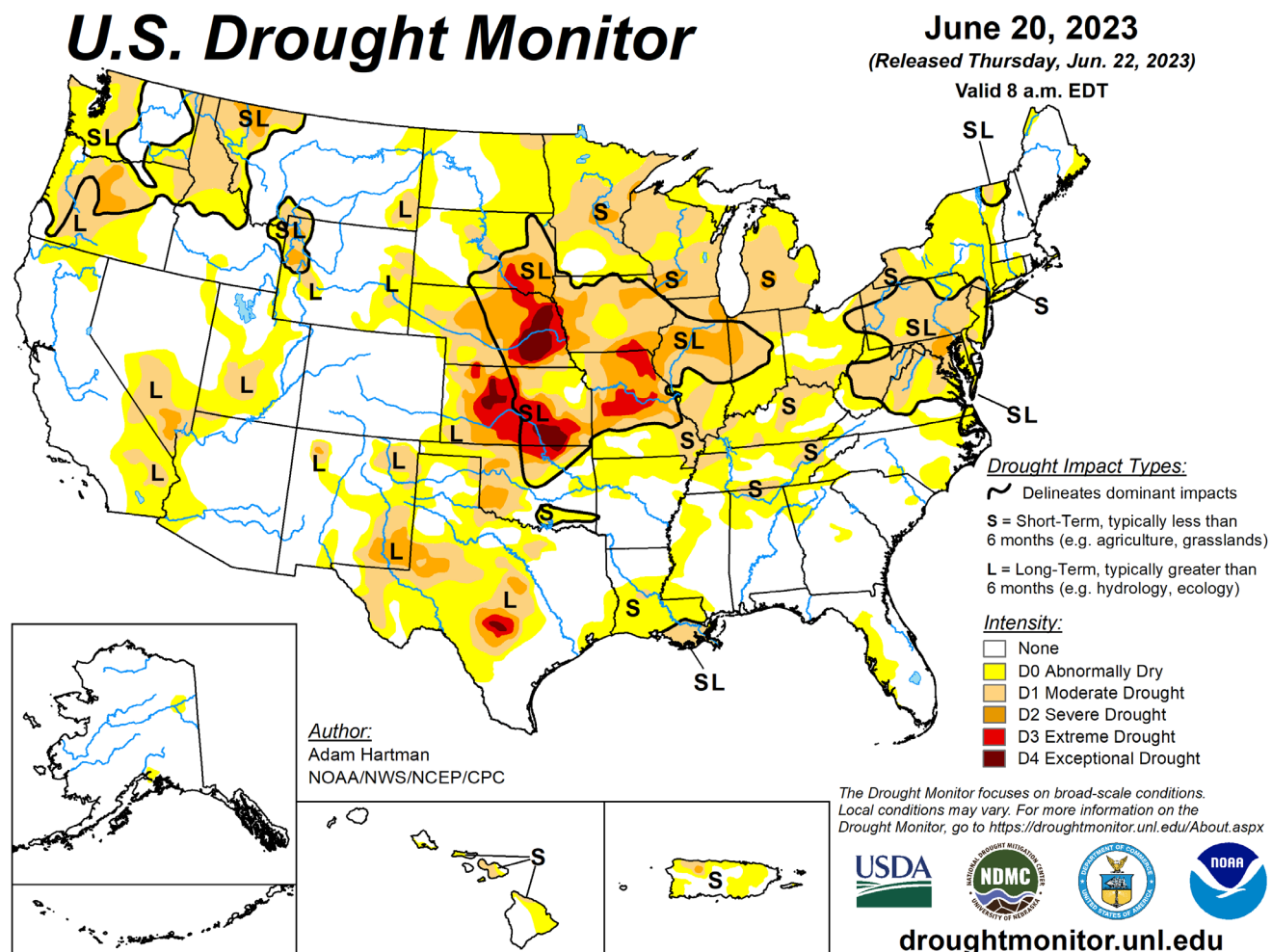
Year-over-year change in average Net Cash Farm Income



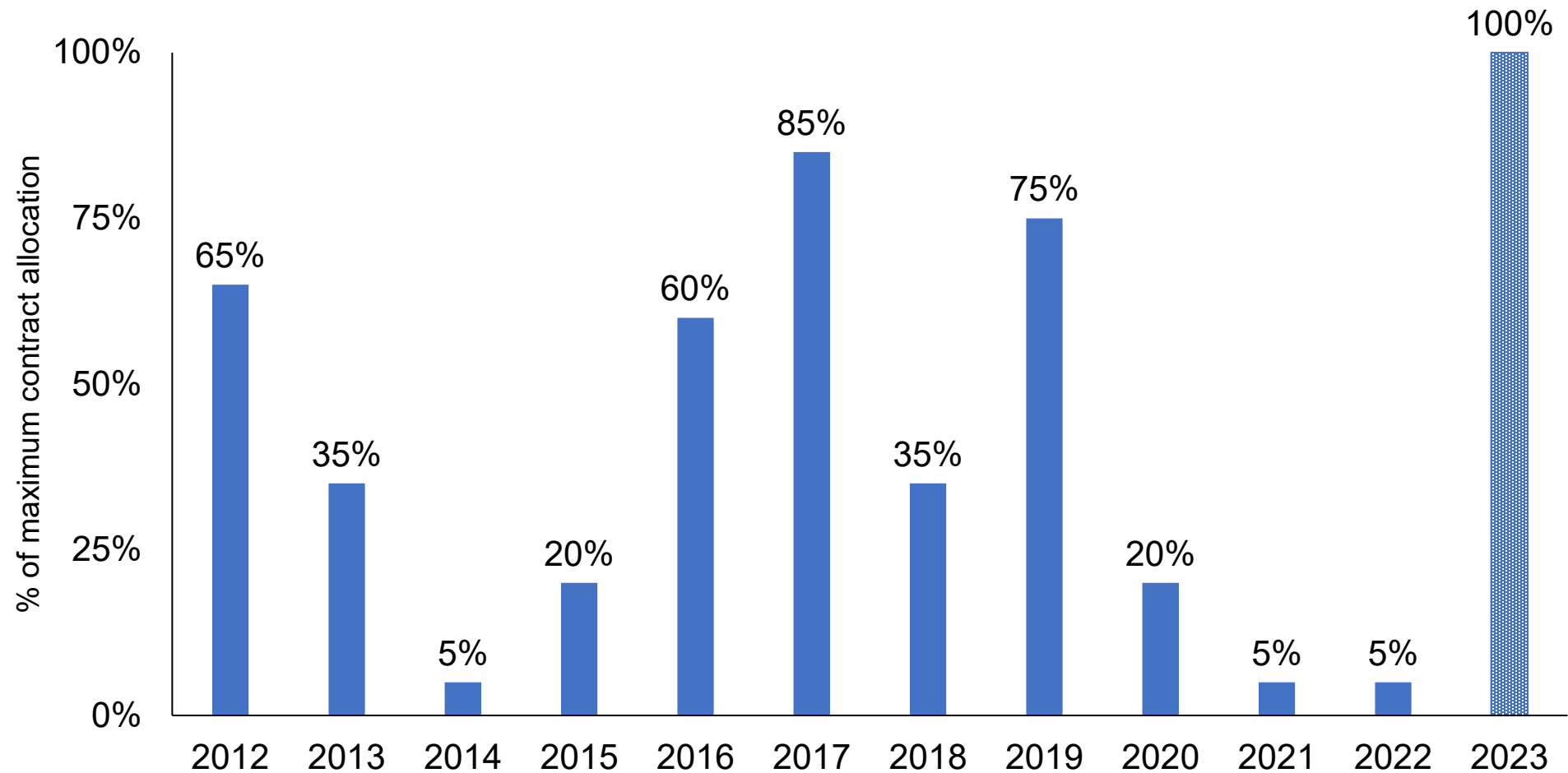
Source: USDA ERS



California Drought Watch is Over (for now)



Water Allocation Rebound

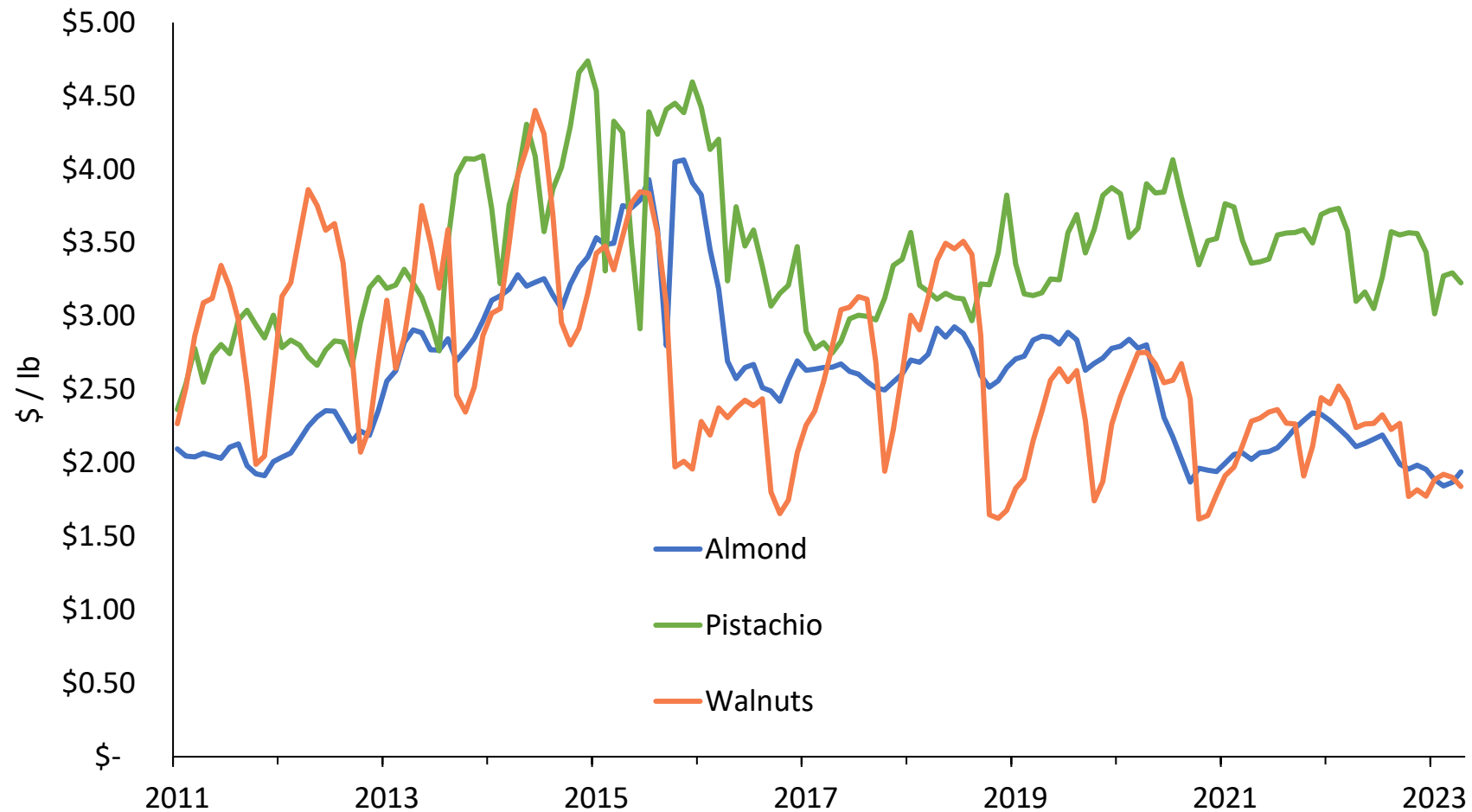




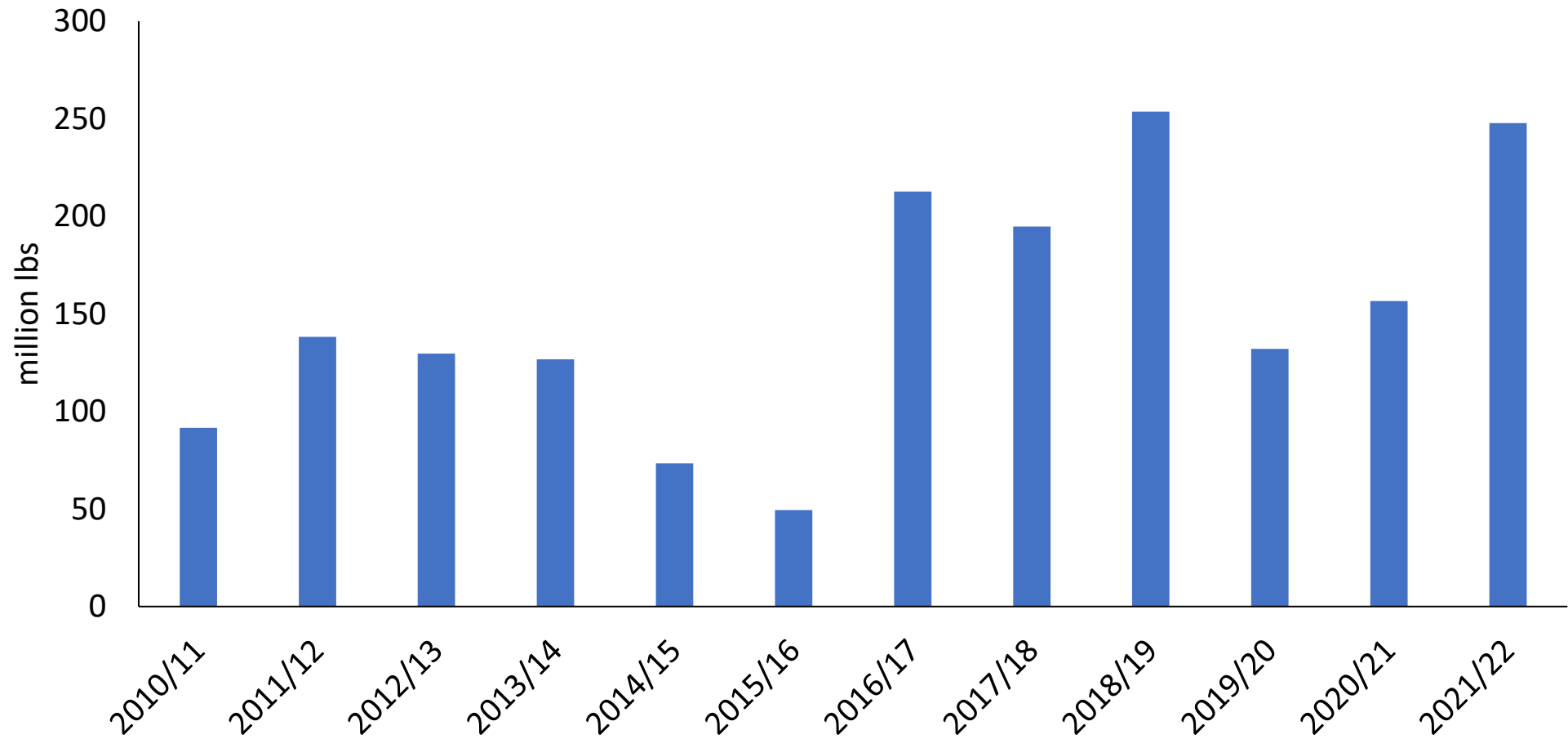
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Crops

Tree Nut Export Prices Continue to Diverge

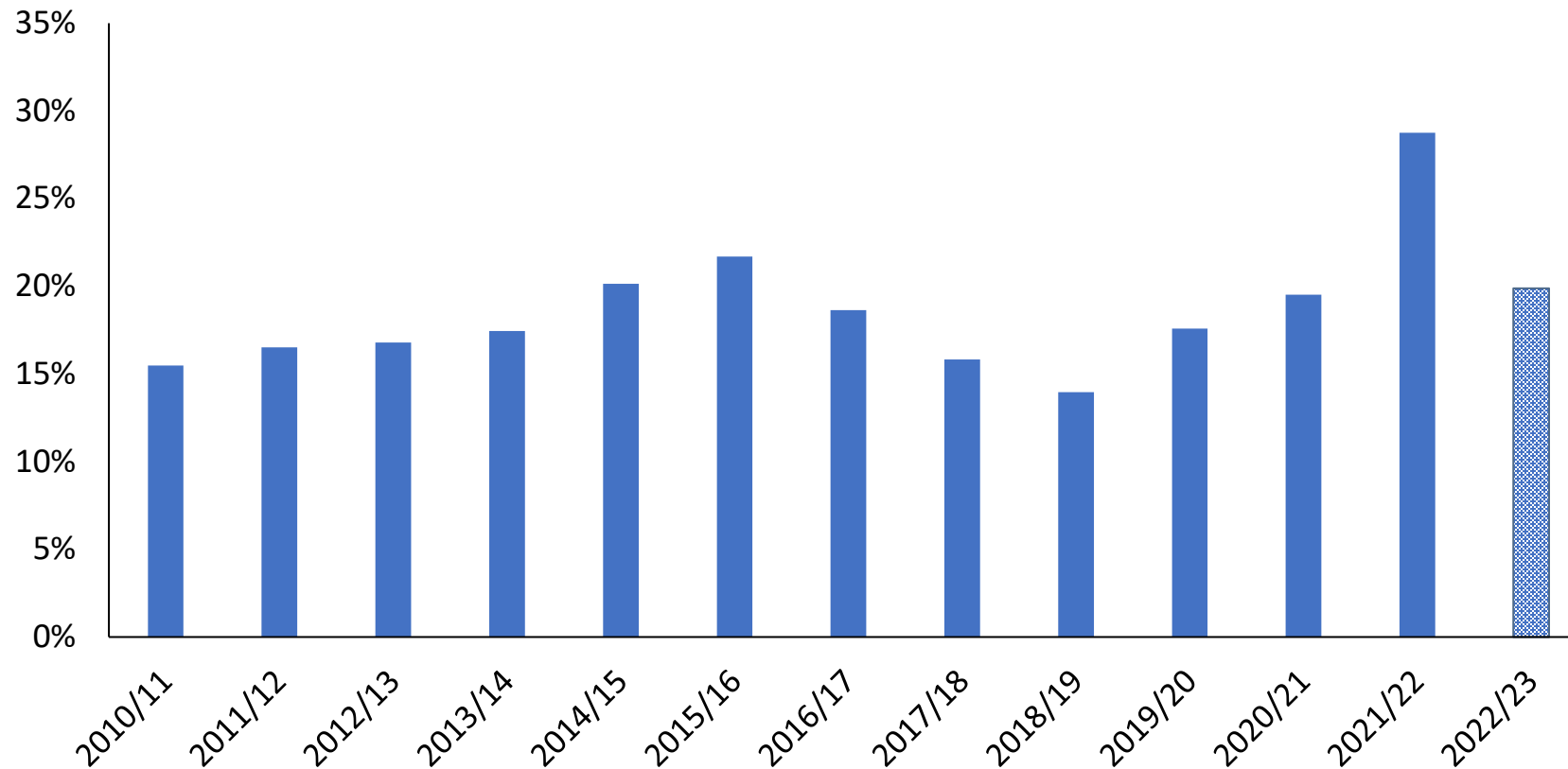


U.S. Pistachio Exports to China

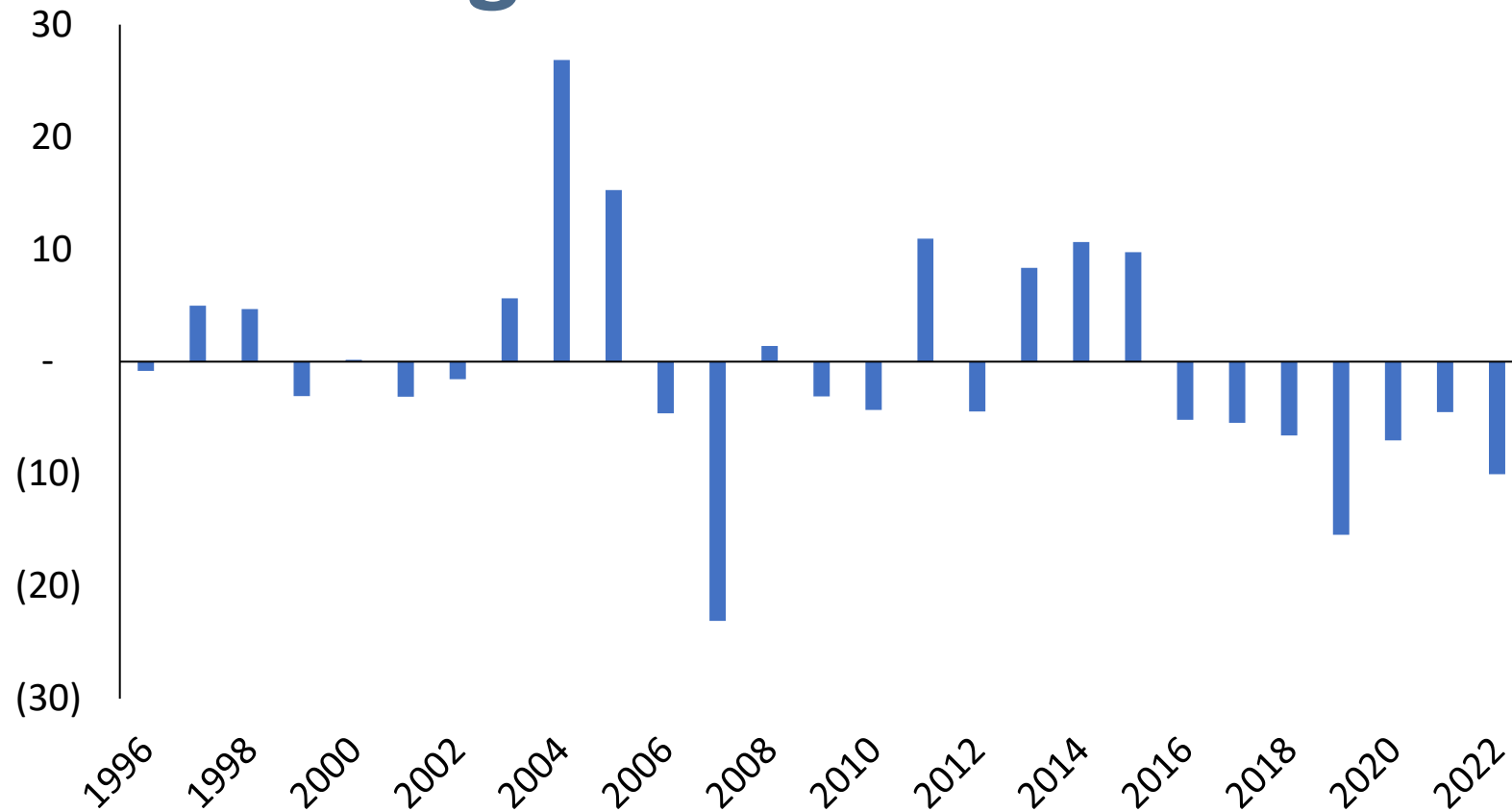


Increased Almond Bearing Acreage Weighing on Prices

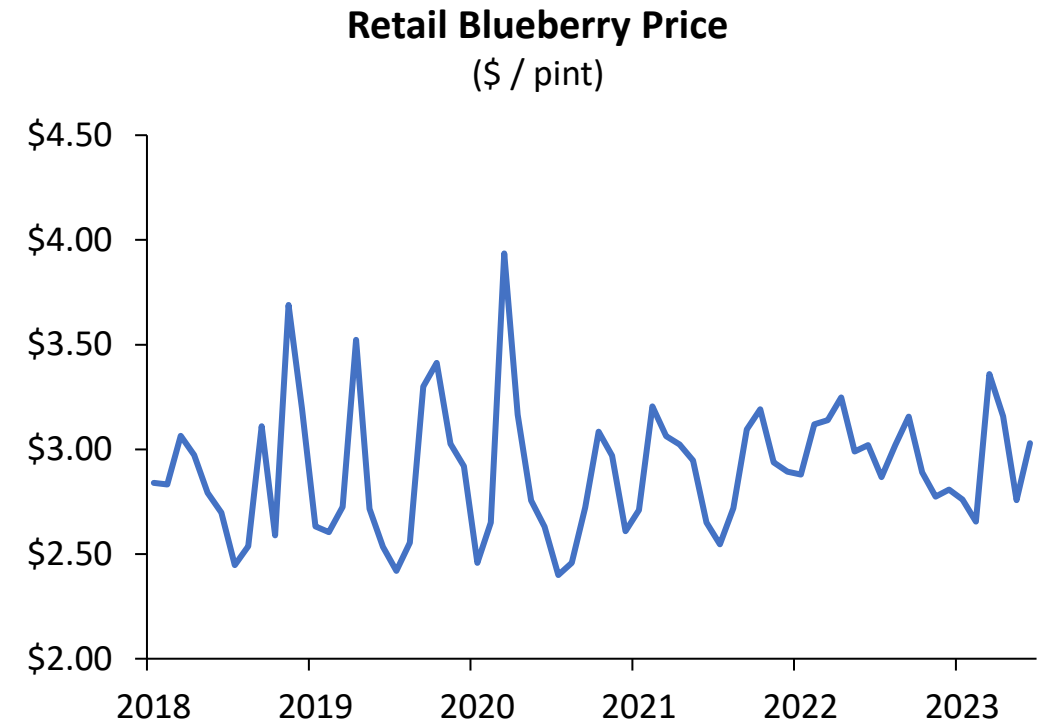
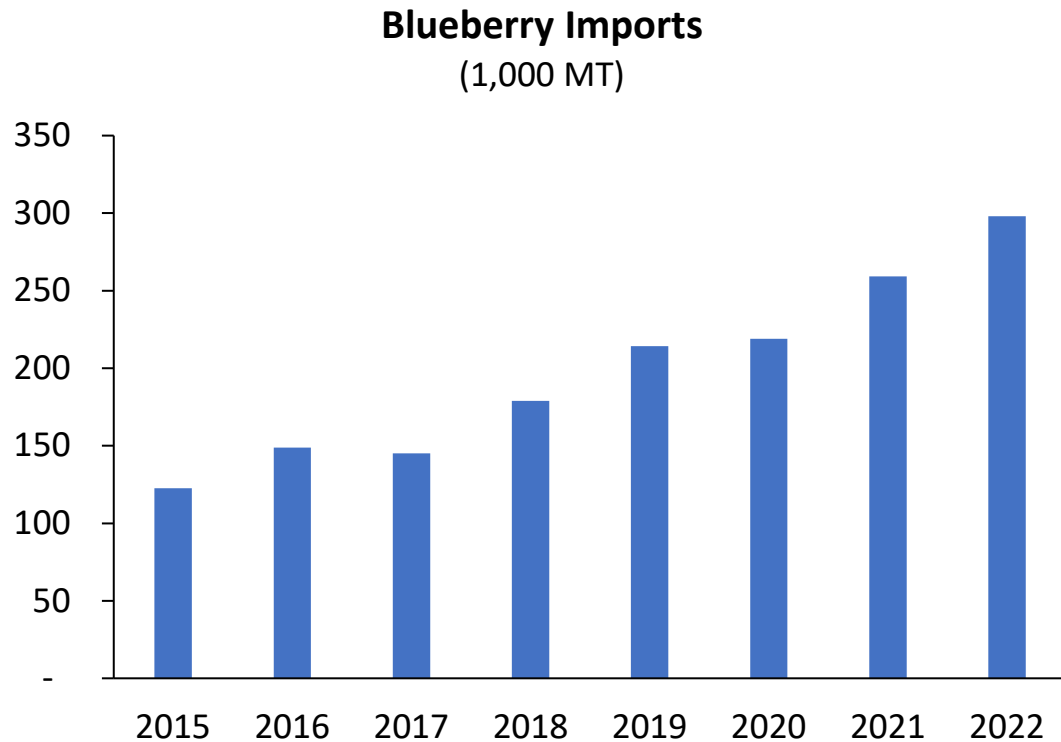
Ending Stocks Relative
to Production



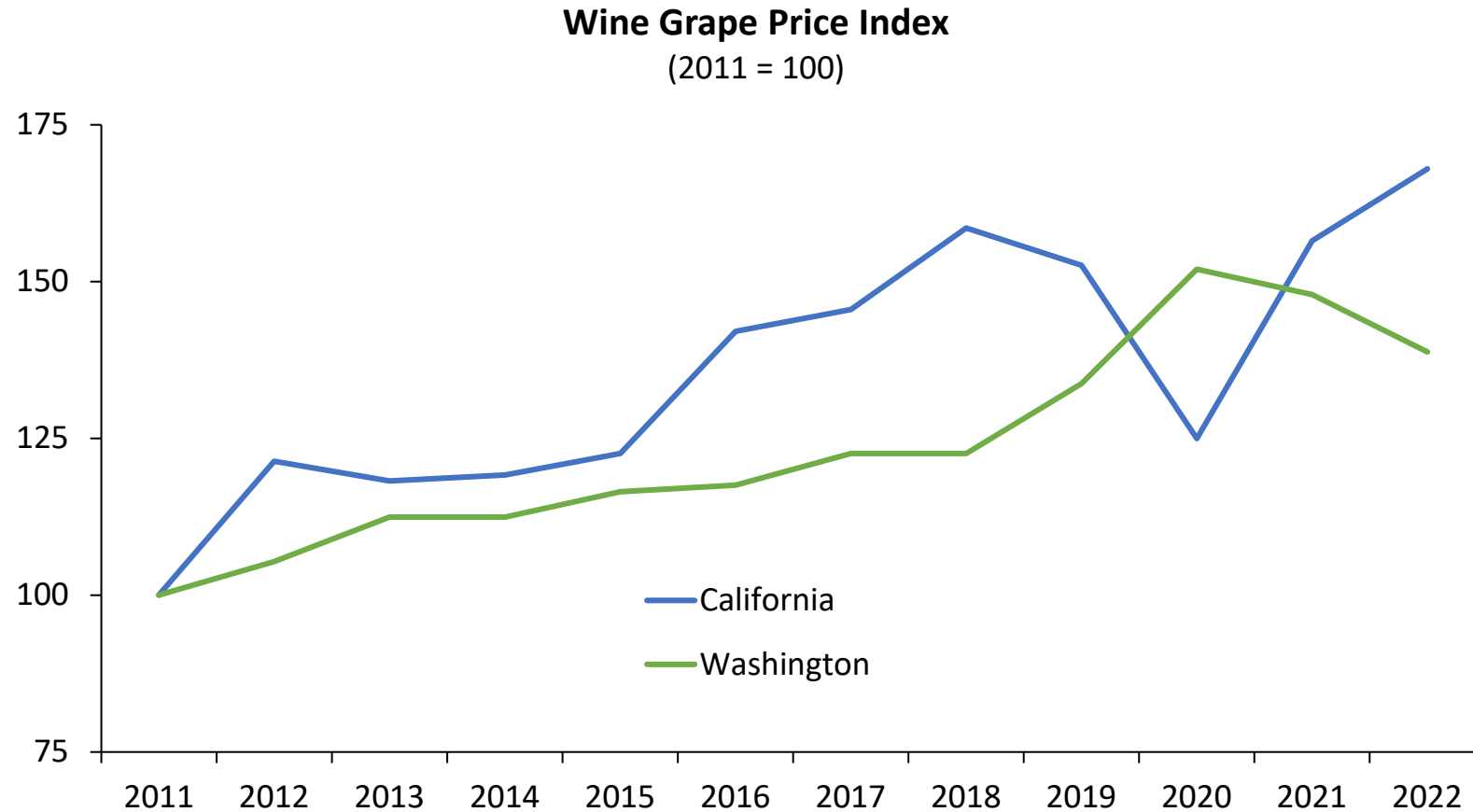
New Almond Acres Planted: Change from Year Prior



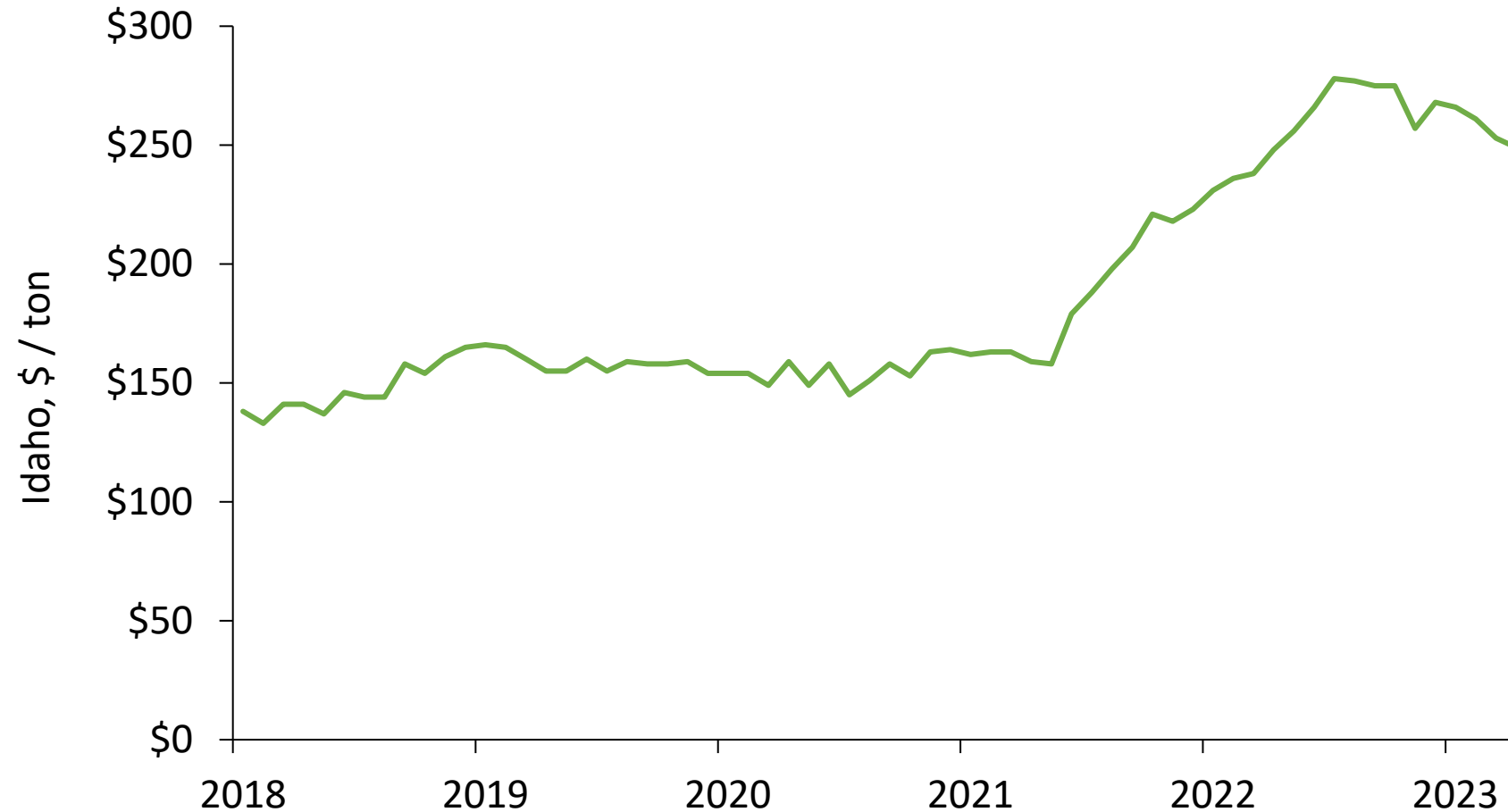
Blueberry Imports Cut Both Ways



Wine Grape Prices Return to “Normal”



Hay Prices Remain Elevated but Trending Lower



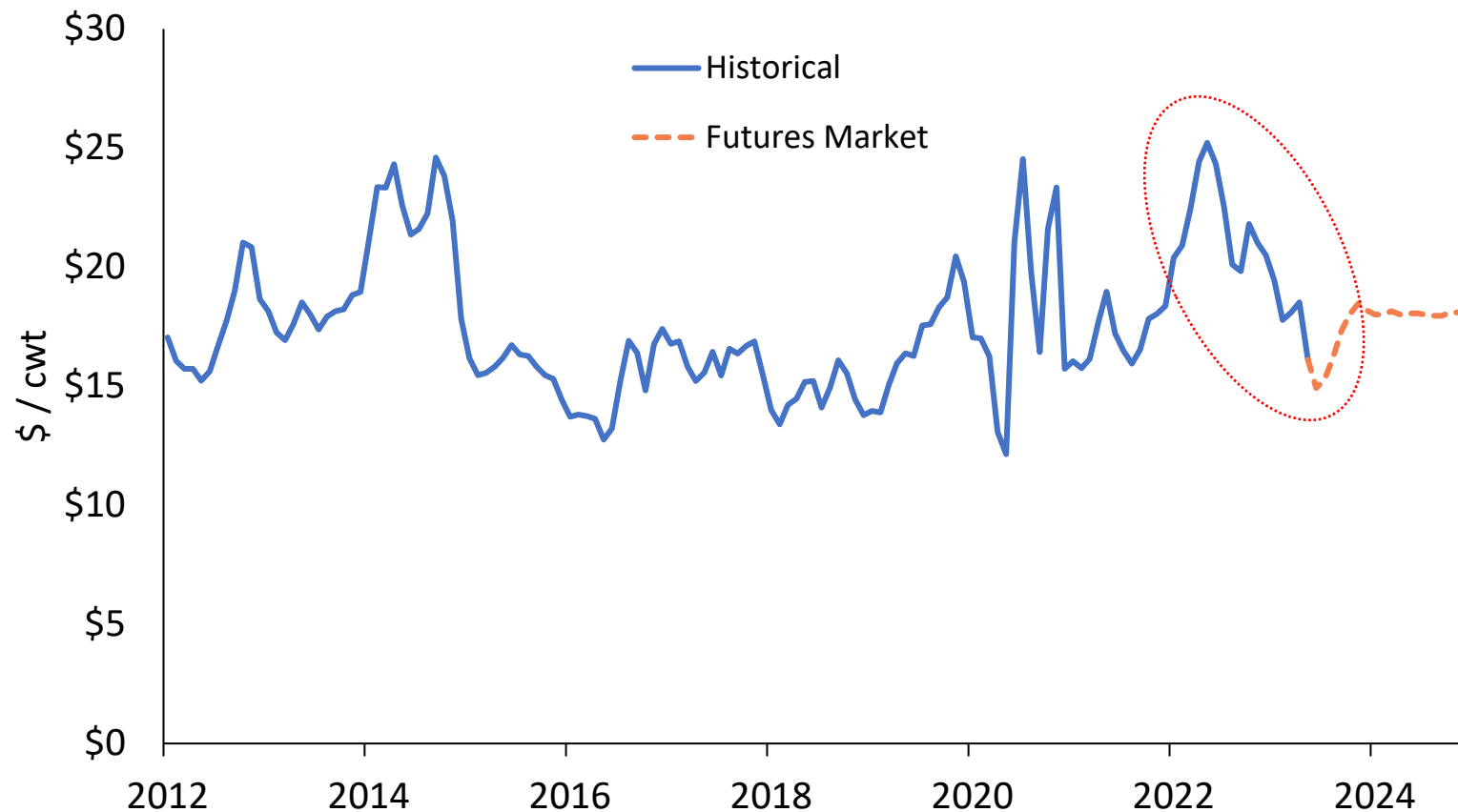


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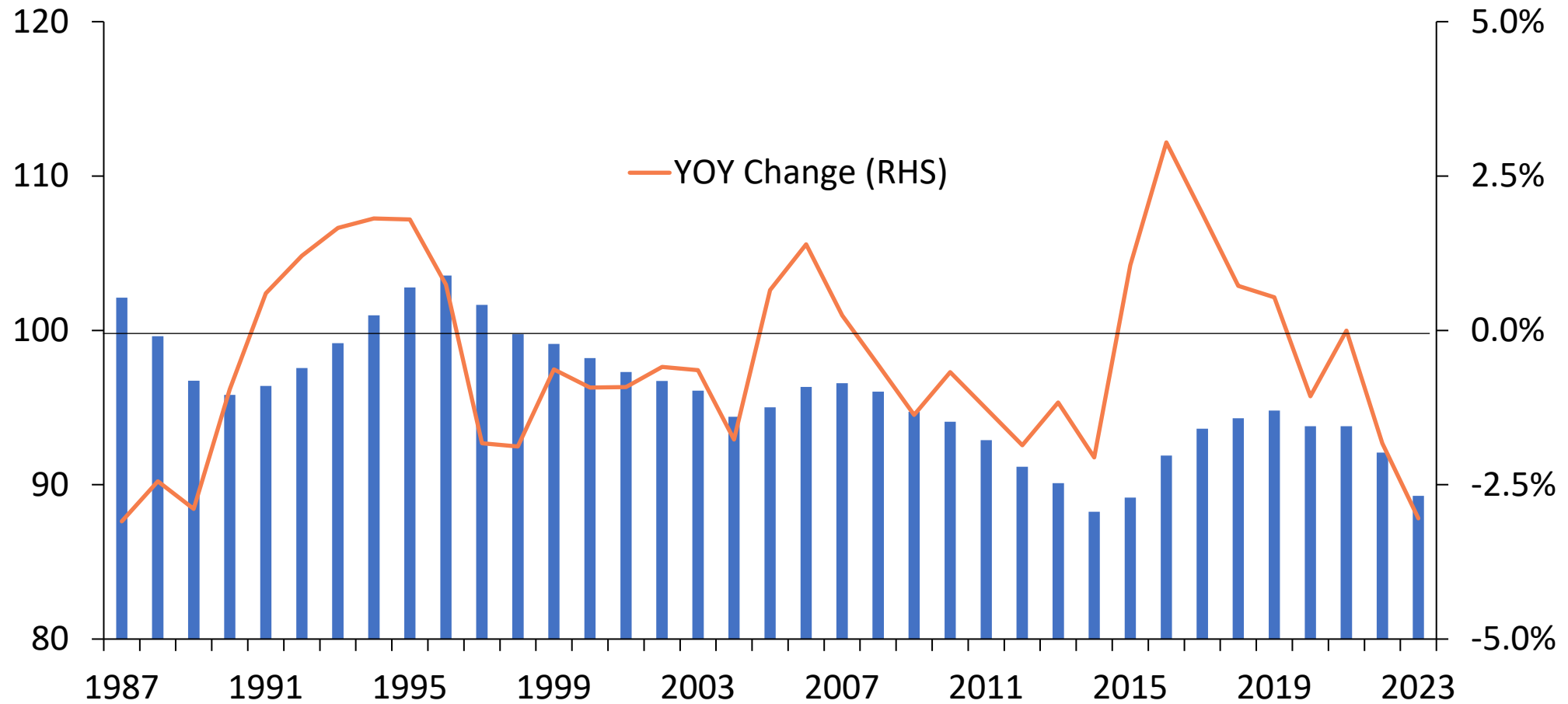
Livestock

Dairy Prices Have Softened but Remain Elevated

Class III Milk Price

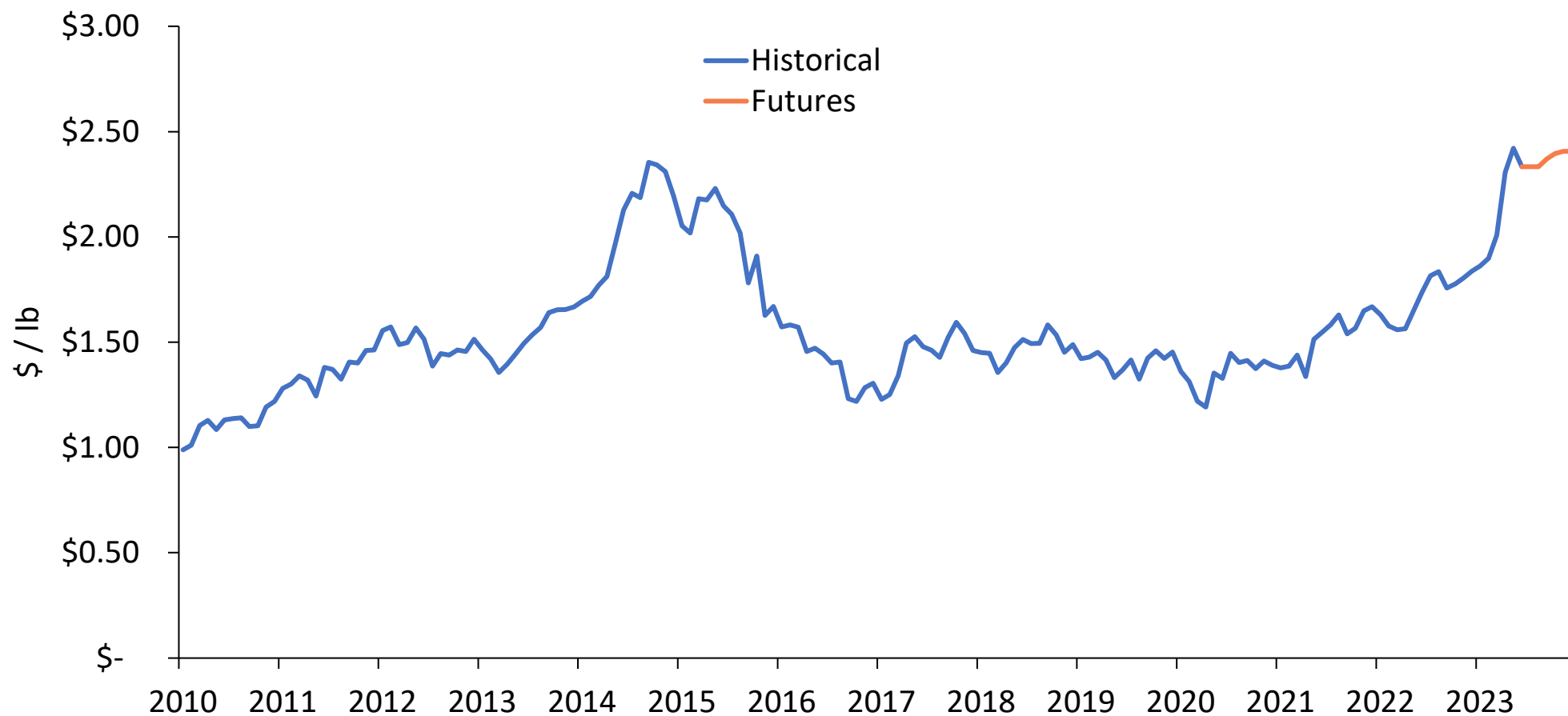


U.S. Cattle Inventory





Fewer Cattle = Higher Feeder Cattle Prices





Other Hot Topics

West Coast
Ports

China
Ag Trade

Russia-
Ukraine War

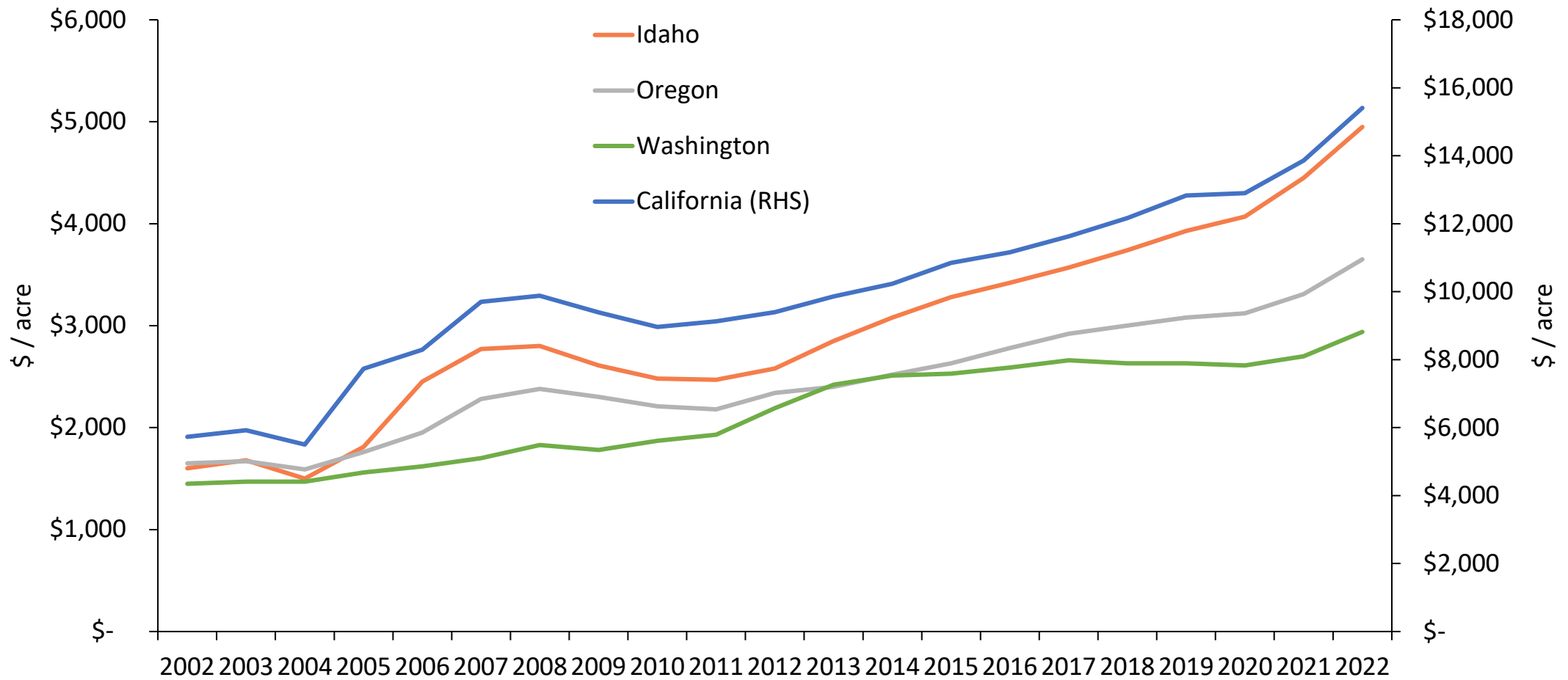


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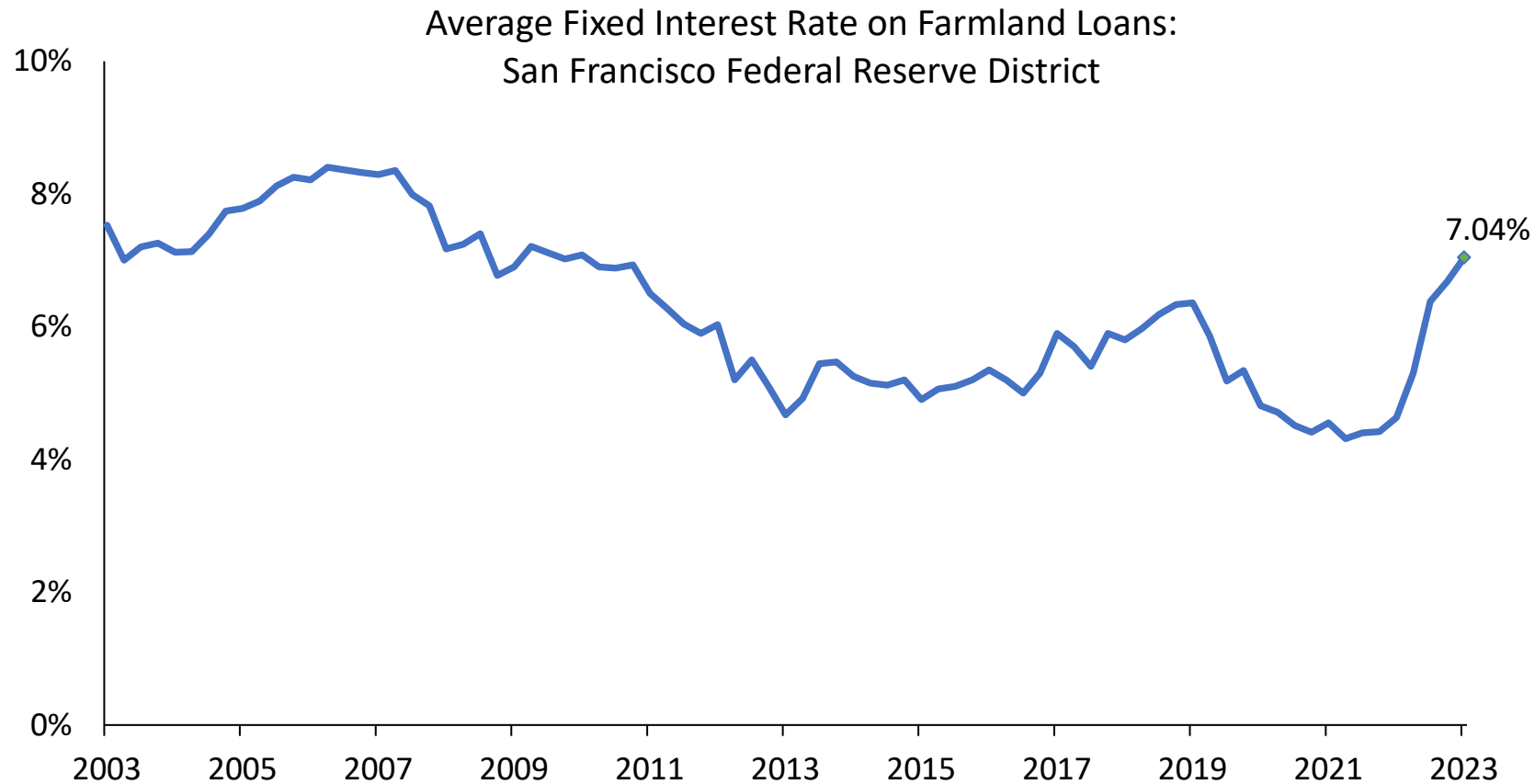
Farmland Values



West Coast Farmland Values Trending Higher



Farmland Values Holding Steady Despite Higher Costs





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Farm & Ranch Loan Purchases

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

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% FAMC 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 ≤ \$3.0 mil	No minimum ≤ 2000 acres: \$50.0 mil > 2000 acres: \$15.9 mil		Minimum: \$50,000 Maximum: \$15.9 mil	No minimum ≤ 2000 acres: \$50.0 mil > 2000 acres: \$15.9 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.			



Commodity Pricing Guidelines

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

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)



AgXpress – Faster Loan Approvals

FASTER DECISIONS

AGXPRESSSM ELIGIBILITY GUIDE

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UNDERSTANDING ELIGIBILITY WHERE DO I BEGIN?

☐ **STEP ONE:**
Review the parameters, definitions, and examples below

☐ **STEP TWO:**
Download the AgXpress Calculator for a hands-on estimate

☐ **STEP THREE:**
Begin an AgXpress application or contact Farmer Mac with questions

ELIGIBILITY PARAMETERS

► **Maximum loan size:** \$3,000,000

► **Maximum aggregate AgXpress exposure:** \$3,000,000

► **Maximum aggregate Farmer Mac exposure:** \$6,000,000

► **Maximum Loan-To-Value:** 65%

► **Choice Pricing for LTV:** up to 55%

► **Standard Pricing for LTV:** above 55%

► **Two years of tax returns required** for all applicants (individuals and entities) when a loan request and/or total AgXpress exposure is above \$1,500,000 (not to exceed \$3,000,000).
If the stated income is not supported by the tax returns, Farmer Mac may ask for additional supporting material.

LET'S TALK COLLATERAL

When considering **total eligible collateral value**, it looks like this:

BARE LAND – value of bare land + permanent plantings + irrigation
+
DWELLINGS/RESIDENCES – any dwelling/residence that has value (unoccupied, owner, and non-owner occupied is acceptable)
+
STRUCTURAL IMPROVEMENTS – agricultural improvements solely used for agricultural commodities*

*Common agricultural improvements include barns, outbuildings, grain storage or silos, etc. Highly specialized agricultural improvements, such as livestock confinement, feedlot dairies, feedlots, equestrian facilities, greenhouses, packing facilities, storage units (including cold storage), first level processing facilities, hog nurseries, farrow to finish units, and grow out facilities (hog and poultry), can be considered for inclusion but may require additional review.

MORE IMPORTANT STUFF. DID YOU KNOW...

- ☐ All title holders must be applicants (additional non-title holders may be applicants as well)
- ☐ Trusts must include an eligible co-borrower and a personal guarantee
- ☐ Highest and best use must be agriculture
- ☐ No restrictions on use of funds
- ☐ All commodities are eligible
- ☐ Farmer Mac's general underwriting guidelines apply
- ☐ Recommended minimum consumer credit score for all applicants is 720 (though not an absolute indicator for approval)
- ☐ All fixed and variable rate product options offered (however, revolving lines of credit are ineligible)
- ☐ Monthly, quarterly, and semi-annual payment frequencies available
- ☐ All applicants must sign and date the application before a request for credit can proceed because
 - Farmer Mac will pull a consumer credit report (TransUnion) and, if applicable, a commercial credit report (Dun & Bradstreet)
- ☐ Choice Pricing for LTV: up to 55%
Standard Pricing for LTV: above 55%

Hands-on Helper! Download the [AgXpress Calculator](#) to estimate total collateral value and loan

- **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

LOAN
ESTIMATE

AGXPRESSSM CALCULATOR

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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.

→ \$3 million max loan amount → Total max exposure per applicant \$6 million
→ 65% max LTV: Choice pricing ≤ 55% and Standard pricing ≥ 55.01%

Total Collateral Value Calculator

TIP! Input the total values for dwellings/residences and structural improvements below. The maximum allowed contributory values will automatically calculate in the LTV estimator section at the bottom of the page.

Description	Number of Acres	Value per Acre	Total
Estimated Bareland	65 X	25,000.00	= 1,625,000.00
Permanent Plantings ⁽¹⁾			+ 1,200,000.00
Dwellings/Residences ⁽²⁾			+ 650,000.00
Structural Improvements ⁽³⁾			+ 200,000.00
Total Estimated Appraised Value =			3,675,000.00

¹Non-structural improvements such as permanent plantings and irrigation equipment. Timber itself is not an eligible permanent crop. If the property includes timber ground, the collateral must exclude the timber value.

²Any dwelling/residence that has value (unoccupied, owner, and non-owner occupied is acceptable).

³Non-residential improvements, including highly-specialized improvements, used solely for ag purposes in which the use is exclusively in connection with the production, harvesting, storage, drying, or raising 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%

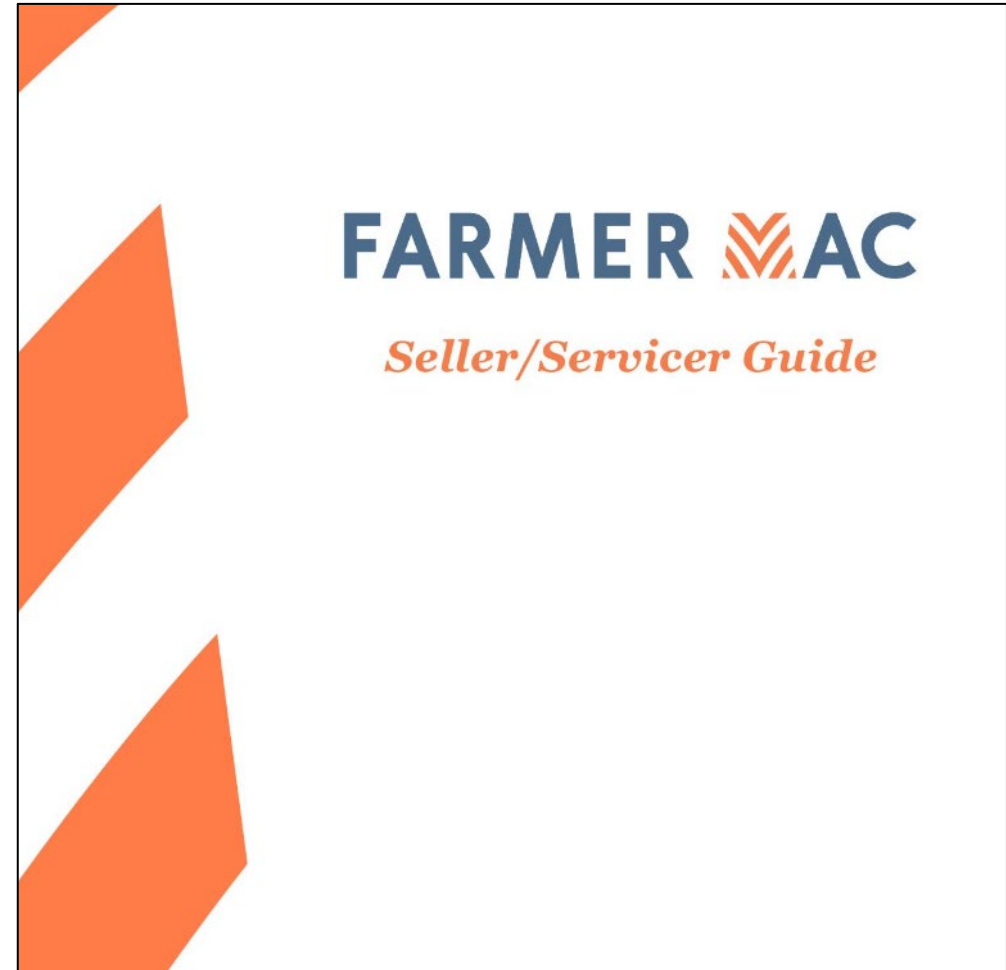
AgXpress - How it Works

- 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/Service Guide

- Farmer Mac Seller/Service Guide can be found in the Resource Library





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Loan Sale Processes

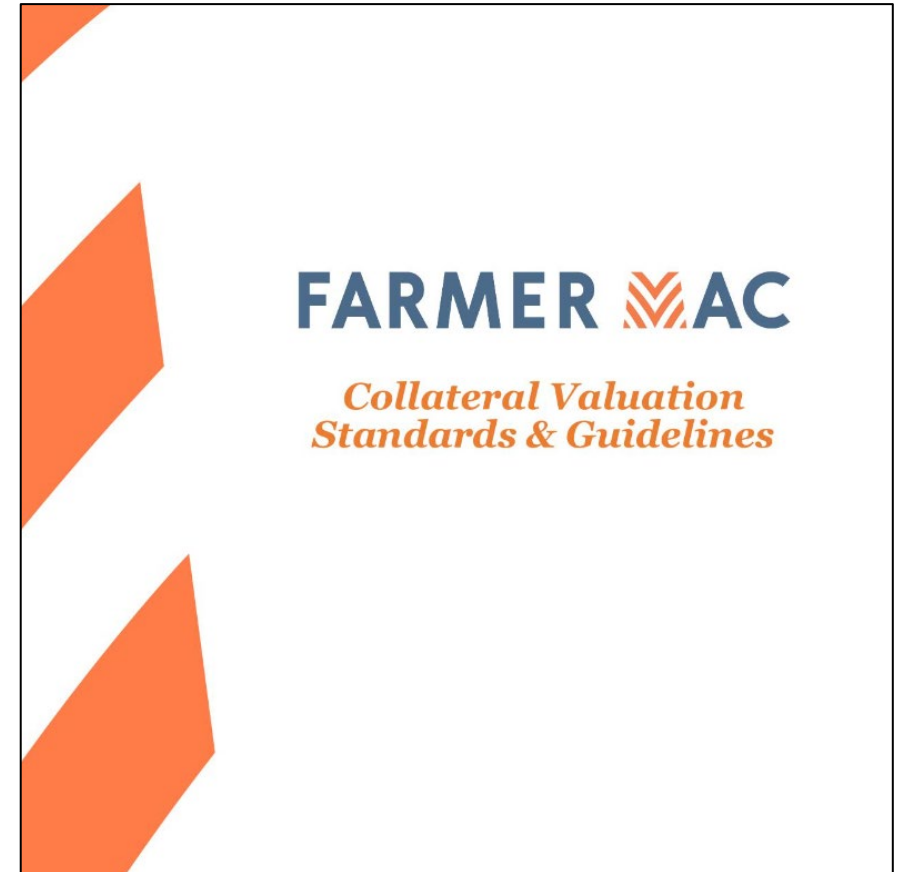
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Collateral Valuation Standards & Guidelines

- 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





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Interest Rate & Loan Product Review

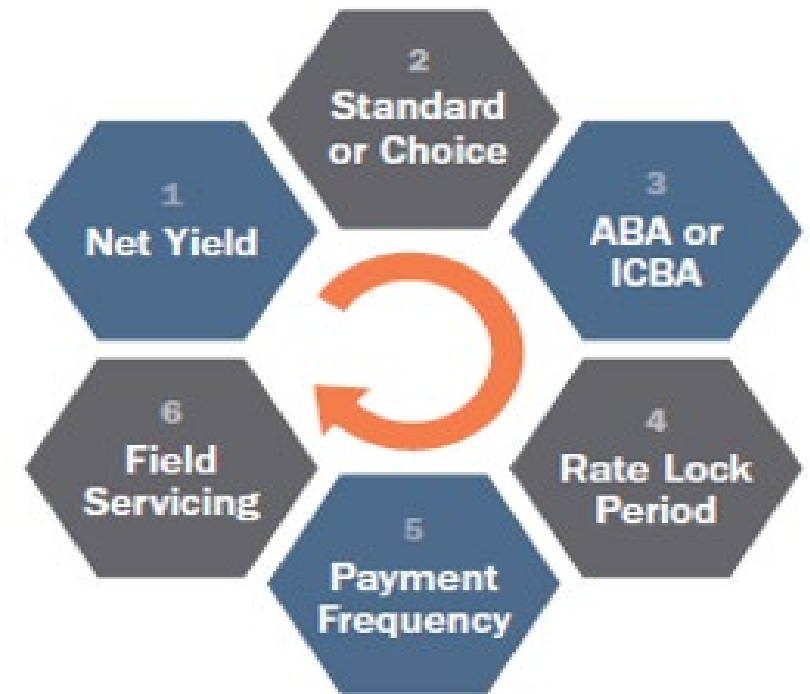


Farm & Ranch Rates (as of 6/26/23)

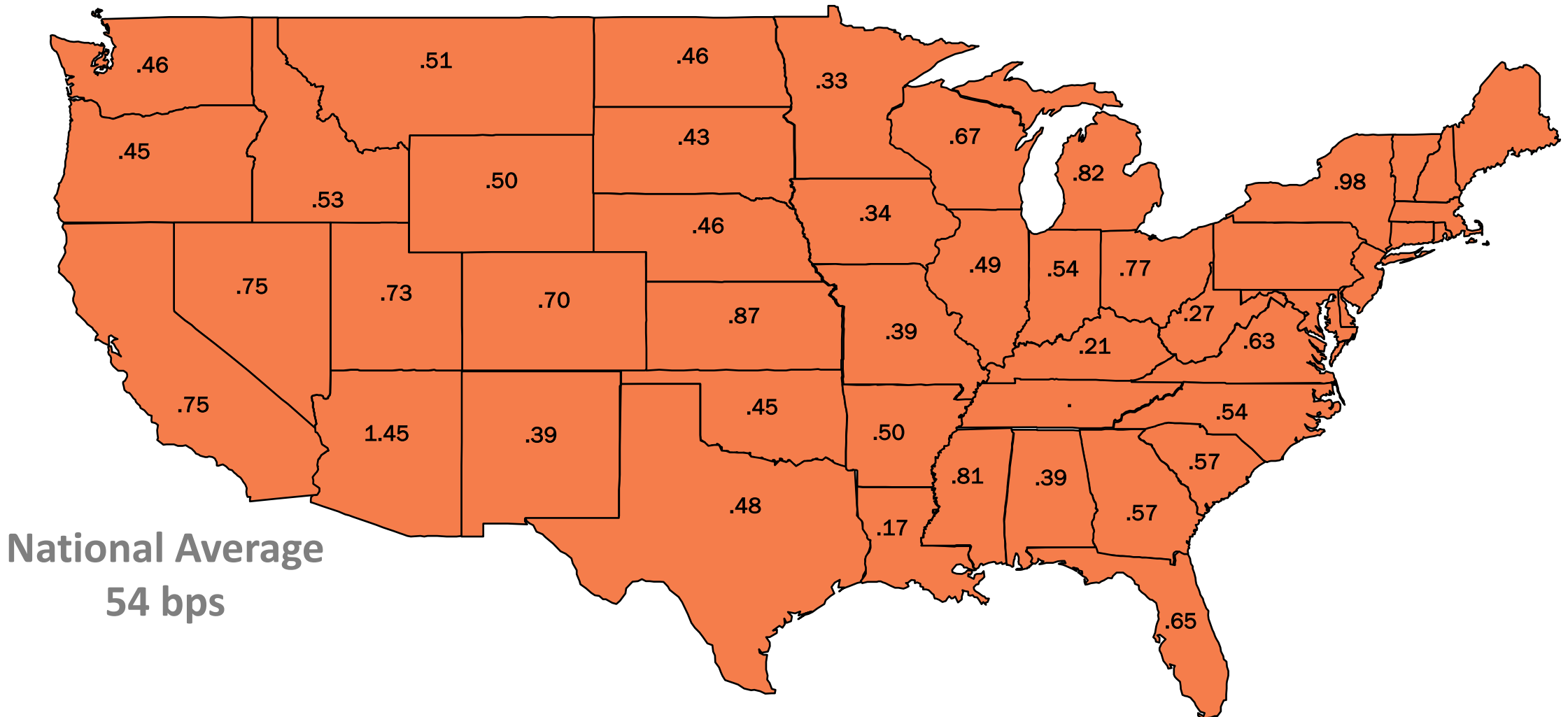
<i>Products</i>	<i>Term</i>	<i>Amortization</i>	<i>Standard Rates</i>	<i>Choice Rates</i>
AgEquity VRM	25 30	15 20 25	7.10%	N/A
1-month VRM	15 20 25 30	15 20 25 30	7.09%	6.74%
1-year VRM	15 20 25 30	15 20 25 30	6.89%	6.54%
3-year VRM	15 20	15 20	6.50%	6.15%
3-year VRM	25 30	25 30	6.55%	6.20%
5-year VRM	15 20	15 20	6.56%	6.21%
5-year VRM	25 30	25 30	6.60%	6.25%
10-year VRM	15 20	15 20	7.07%	6.72%
10-year VRM	25 30	25 30	7.12%	6.77%
15-year VRM	20	20	7.12%	6.77%
15-year VRM	25 30	25 30	7.31%	6.96%
7-year Fixed	7	15 25	6.70%	6.35%
10-year Fixed	10	10	6.74%	6.39%
15-year Fixed	15	15	6.97%	6.62%
15-year Fixed	15	25	7.22%	6.87%
20-year Fixed	20	20	7.14%	6.79%
25-year Fixed	25	25	7.27%	6.92%
30-year Fixed	30	30	7.33%	6.98%

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)





Recent F&R Loan Transactions

State	Commodity	Program	Amount	LTV	Acres	Product	Note Rate	Servicing Fee	Quality	Maturity
CA	Lemons	Full Underwrite	\$2,500,000	52%	63	5 Year VRM	6.55%	0.45%	Choice	8/1/2053
WA	Alfalfa	Fast Track	\$1,800,000	36%	1,623	5 Year VRM	6.30%	0.60%	Choice	7/1/2053
OR	Cucumbers	AgEquity	\$845,000	58%	79	RLOC 5 YR Draw	7.50%	0.40%	Standard	7/1/2053
NM	Corn	Full Underwrite	\$1,412,000	51%	8,316	20-Yr Fixed	7.84%	0.45%	Standard	1/1/2043
CA	Livestock	Full Underwrite	\$546,000	60%	27	5 Year VRM	7.45%	1.05%	Standard	8/1/2053
OR	Wine Grapes	Full Underwrite	\$4,375,000	70%	118	5 Year VRM	6.80%	0.85%	Standard	4/1/2048
NV	Alfalfa	Full Underwrite	\$6,637.50	58%	153,239	5 Year VRM	6.86%	0.60%	Choice	2/21/2028



Recent AgXpress Loan Transactions

State	Commodity	Program	Amount	LTV	Acres	Product	Note Rate	Servicing Fee	Quality	Maturity
CA	Hay/Field Crops/Horses&Mules	AgXpress	\$ 2,010,000.00	41%	28	5 Year VRM	6.75%	0.87%	Choice	6/1/2053
OR	Alfalfa/Corn	AgXpress	\$ 738,583.00	13%	498	5 Year VRM	6.10%	0.44%	Choice	6/1/2053
OR	Alfalfa	AgXpress	\$ 520,000.00	65%	76	5 Year VRM	6.75%	0.60%	Standard	7/1/2053
WA	Apples	AgXpress	\$ 1,264,900.00	65%	80	5 Year VRM	6.59%	0.59%	Standard	7/1/2028
WA	Pear/Apples	AgXpress	\$ 310,000.00	46%	35	5 Year VRM	6.95%	0.93%	Choice	7/1/2048
CA	Ranch Cattle/Calves	AgXpress	\$ 225,000.00	29%	156	10-Yr Fixed	6.50%	0.74%	Choice	6/1/2033
CA	Greenhouse/Nursery Products	AgXpress	\$ 1,000,000.00	29%	29	5 Year VRM	6.23%	0.50%	Choice	4/1/2053
WA	Alfalfa/Potatoes	AgXpress	\$ 325,000.00	30%	68	15- Yr Fixed	7.05%	0.60%	Choice	1/1/2038
CA	Olives	AgXpress	\$ 950,000.00	48%	49	5 Year VRM	6.56%	0.70%	Choice	1/1/2053



FARMER MAC

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

PROCESS OVERVIEW

FARM & RANCH PURCHASE COMMITMENT

Ready to submit and receive a credit decision and don't know where to begin?

We've got you covered.

Now that you know what a Purchase Commitment is and how to sign up, let's look at the steps involved in the process to submit and receive a credit decision.

- 1. REVIEW** a group of qualified real estate loans to be presented to Farmer Mac for review.
- 2. COMPLETE** a new application by entering the main data points for all loans into the appropriate tabs of the **Purchase Commitment Application**.
The Purchase Commitment Application can be accessed at efarmermac.com after secure login.
- 3. UPLOAD** the following items for faster approval:
 - ☐ Original narrative (if available) as well as the most recent narrative containing current information about the borrower
 - ☐ Financial analysis of the borrower completed by the lender
 - ☐ Promissory note and mortgage for a closed loan
 - ☐ Appraisal (if available)
 - ☐ Title commitment (or title policy for a closed loan)
 - ☐ Explanation of any servicing actions for the loan
- 4. SUBMIT** the **application** to Farmer Mac for an underwriter to review. If the appraisal is provided, the appraisal reviewer will be engaged at this time (prior to loan approval).
- 5. WAIT** as a Farmer Mac underwriter completes a **due diligence review** prior to issuing a credit decision.
- 6. RECEIVE** a generated email notification once a **Purchase Commitment** is **approved**.
- 7. REQUEST** a **Qualified Loan Schedule** within 120 days of the **Qualified Loan Statement**, effective the first day of the month in which it was requested. To complete the request, you will need to provide Farmer Mac with a completed **Flow Loan Setup** file.
- 8. ENSURE** accuracy—the information from the Flow Loan Setup file will be compared to the previously entered information before the loan is added to the **Purchase Commitment Pool**.
- 9. RECEIVE** the Qualified Loan Schedule from Farmer Mac, once the information has been reviewed.
- 10. SIGNATURES** from the Seller and a Farmer Mac Officer will be needed to fully execute the final draft of the Qualified Loan Schedule.

Lean on us to help get you started.

Call Client Services at 866.452.2617 for assistance.

All **reference materials** and **forms** are located within the **Resource Library** at efarmermac.com.

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



Purchase Commitments

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



FARMER AC

USDA Guaranteed Loan Program

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



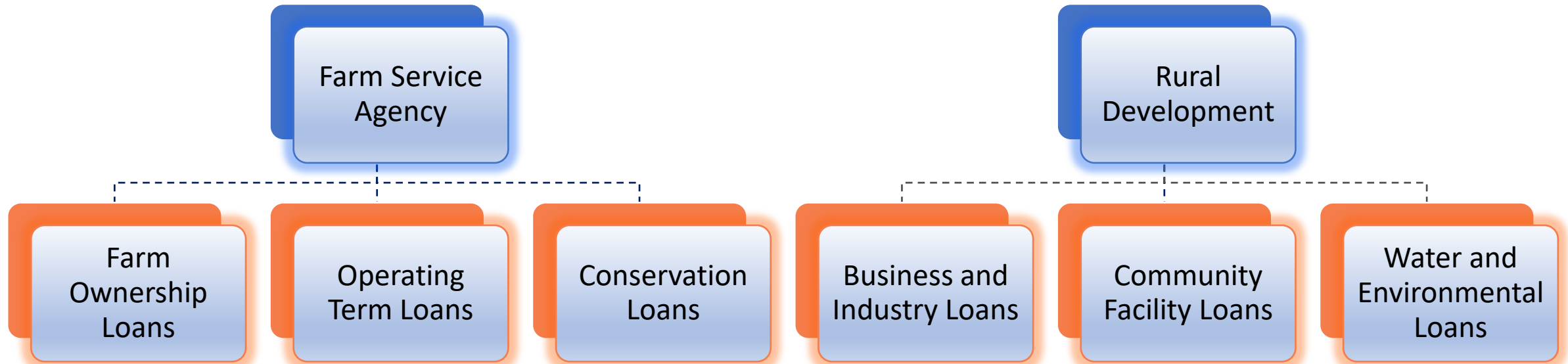
Customizable terms

No prepayment penalties

Flexible servicing action options

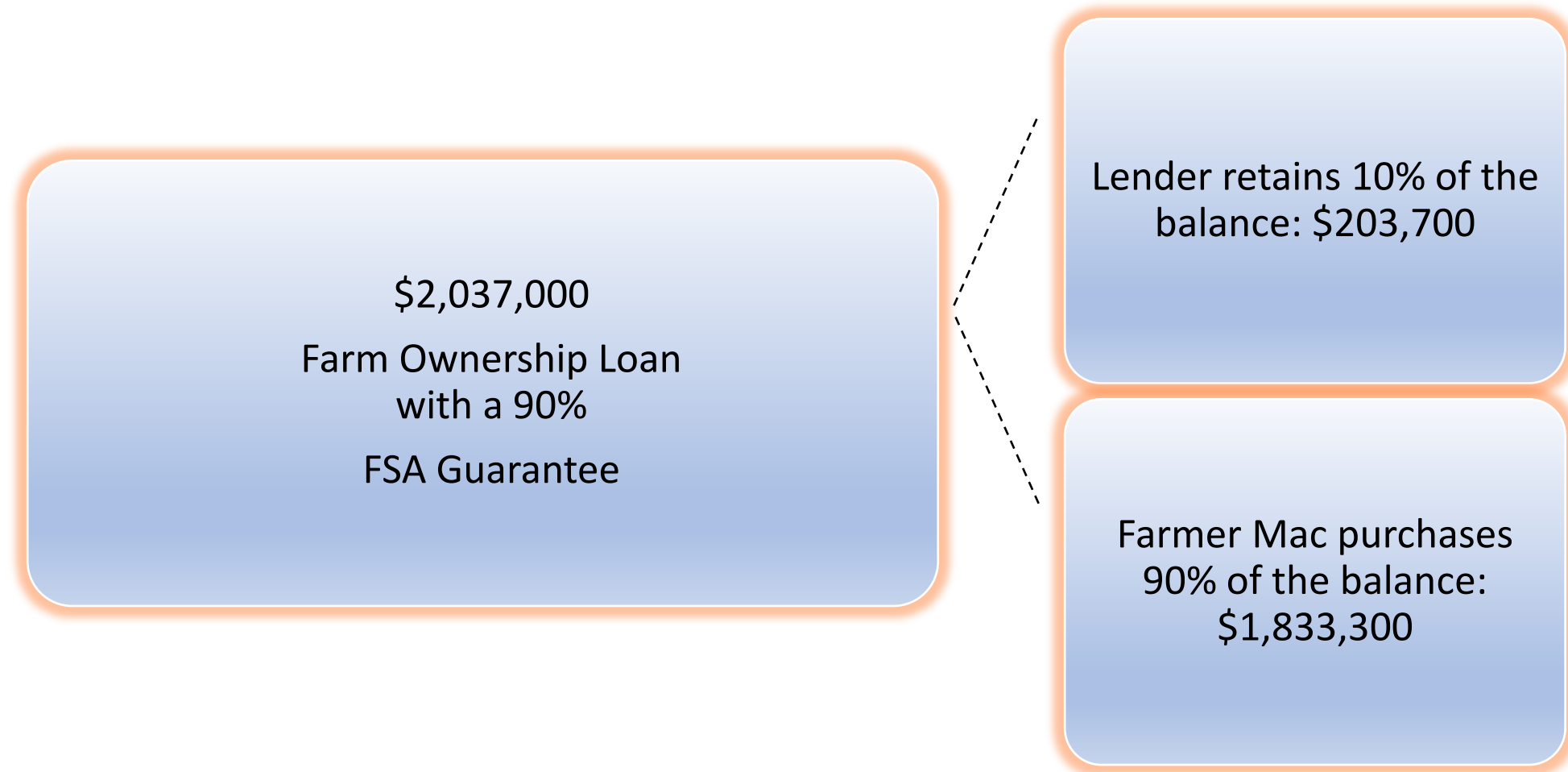


Eligible USDA Programs





USDA-FSA Guarantee Loan Sale Example





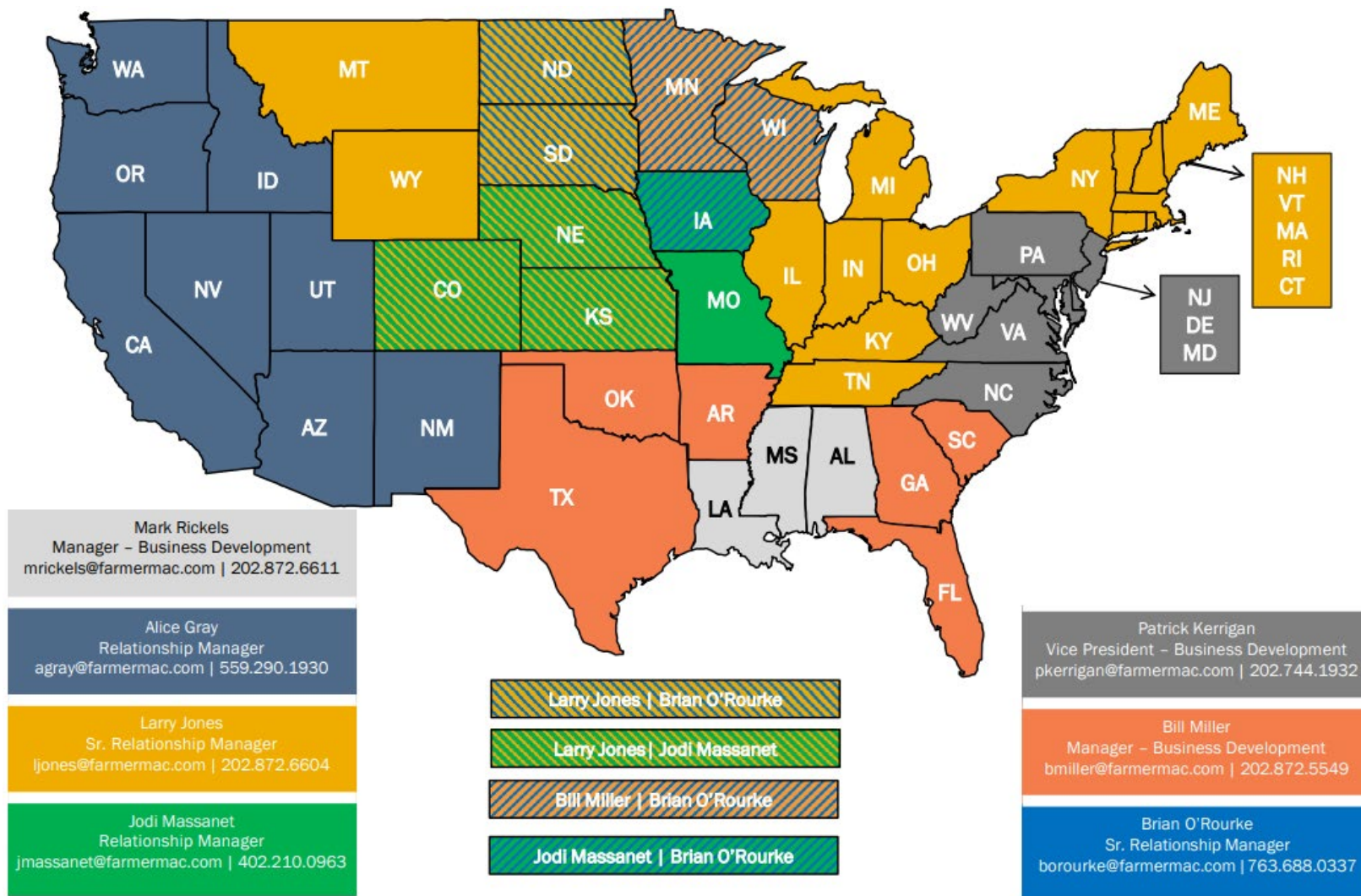
USDA Rate Sheet

(as of 6/26/23)

<i>Products</i>	<i>Monthly Pay Cash</i>	<i>Monthly Pay 4-Week Rate Lock</i>	<i>Annual, S.A., & Qryly Pay Cash</i>	<i>Annual, S.A., & Qryly Pay 4-Week Rate Lock</i>
Wall Street Journal Prime	7.50%	N/A	7.50%	N/A
Farmer Mac 3-Mo COFI	6.35%	N/A	6.35%	N/A
Farmer Mac 5-Yr Reset COFI; 20-, 25-, 30-Yr Am	5.66%	5.75%	5.76%	5.85%
Farmer Mac 10-Yr Reset COFI; 20-, 25-, 30-Yr Am	6.21%	6.30%	6.31%	6.40%
Farmer Mac 15-Yr Reset COFI; 20-, 25-, 30-Yr Am	6.38%	6.47%	6.48%	6.57%
7-Yr Fixed Rate, 7-Yr Am	5.64%	5.73%	5.74%	5.83%
7-Yr Fixed Rate, 15-Yr Am	5.73%	5.82%	5.83%	5.92%
10-Yr Fixed Rate, 10-Yr Am	5.80%	5.89%	5.90%	5.99%
15-Yr Fixed Rate, 15-Yr Am	6.07%	6.16%	6.17%	6.26%
15-Yr Fixed Rate, 25-Yr Am	6.33%	6.42%	6.43%	6.52%
20-Yr Fixed Rate, 20-Yr Am	6.26%	6.35%	6.36%	6.45%
25-Yr Fixed Rate, 25-Yr Am	6.41%	6.50%	6.51%	6.60%
30-Yr Fixed Rate, 30-Yr Am	6.44%	6.53%	6.54%	6.63%



Relationship Manager Map





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





FARMER  AC

Thank you