



AGRICULTURAL REAL ESTATE - NONFACILITY

800-682-4578

Please feel free to contact us for rate quotes or with questions.

Criteria	OTS		Full Underwrite		
	Stand alone collateral or shared collateral		Ag Dependent	Non-Ag Dependent	RLOC
CDRC - repayment ability	Info from app is considered - depends on credit	Info from app is considered - depends on credit	≥ 125%	≥ 125%	≥ 125%
Proforma Current Ratio	NA	NA	≥ 1.25	≥ 1.25	≥ 1.25
Property Debt Coverage	NA	NA	see below ⁴		
Proforma Owner's Equity	<i>Uses Current OE here</i> >~ 40-50%	<i>Uses Current OE here</i> >~ 40-50%	≥ 50%	≥ 40%	≥ 50%
Minimum Loan Size	\$50,000	\$500,001	\$50,000	\$50,000	\$100,000
Maximum Loan Size	\$500,000	\$2,500,000	Each request will be reviewed to determine maximum.	Each request will be reviewed to determine maximum.	
Maximum LTV	75%	65%	65%	75% ³	50%
Improvement value must be less than ___ of appraised value:	Typically 50%, limits may apply for highly improved, and the term/am may be tied to Remaining Economic Life of the improvements		Typical 50-60% (each request will be reviewed for final determination)		Improvements (exc. Irrig) will not be counted toward LTV calculation
Minimum Credit Score	About 700+ for one borrower (see below) ¹		Typical 700+		
Term in Years	up to 30 years		up to 30 yrs		up to 30 yrs ⁶
Amortization	up to 30 yrs (no balloons)		up to 30 yrs (no balloons)		up to 25 yrs ⁶
Cashout Limitation ²	No cash out limitation up to \$1.0Million TLO at AA. Cash-out requests over \$1.0Million are limited to 25% of transaction.		Any use of funds limitations will be determined once farming status is identified.		
Other	Evaluations are available for loans up to a cumulative \$1,000,000 at AA with minimal improvements. These are completed by FD and we need adequate comparables to prepare it (so not all may be eligible).				
	¹ Credit bureau <u>does not</u> need to be provided with OTS ~ it will be pulled upon submission to us. If any recent late pays or judgements, collections, bankruptcy, etc (even if paid), we may need to consider other options. Below 700 score has lower chance of approval.		⁴ PDC can be very important to understand the property's ability to service debt, and may apply to some requests. While the target is typically ≥ 0.80%, there may be exceptions made by the investor, and each request will be reviewed on a case-by-case basis.		
	² Cashout for AA is considered any non-RE debt. OTS is not intended for struggling operations normally.				Projection must show RLOC repmt over max 20 yr
	* Maximum loan amount of \$2.5 million per borrower (cumulative).				
	** Scored individuals must sign the Promissory Note individually as a primary borrower or co-maker. This includes entity loans.				
				⁶ Term = Revolving draw period + amortization	
Items needed for approval:	Completed & signed application/authorization	Completed & signed application/authorization	Completed & signed application/authorization		
	¹ Notify us who should be the lead borrower (1 individual) with the best credit bureau; provide UCC searches also		Credit bureau & UCC searches should be provided to us		
	Recent balance sheet	Recent balance sheet	Current balance sheet w/ verifications & proforma		
	Brief understanding of request	Brief understanding of request	Full narrative		
	Most recent tax return	Most recent tax return	Most recent 3 yrs tax returns w/ current wage verifications		
			Most recent 4 year-end bal sheets (plus current balance sheet)		
			Projected income/expense statement		
Additional details, comments, records, etc., may be requested to understand & support the historical and/or projected data.					

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Criteria	AgXpress - choice pricing	Fast Track - choice pricing	Full Underwrite					
			Row crop & cow/calf			AgAssist	RLOC	
			Standard pricing	Choice pricing	Standard pricing	Standard pricing	Standard pricing	
Proforma TDC - repmt	Info from app is considered - depends on credit	≥ 1.00 ⁷	≥ 1.25	≥ 1.50	≥ 1.50	≥ 1.10	≥ 1.35 after rate shock	
Proforma Current Ratio	NA	≥ 1.00	≥ 1.25	≥ 1.50	≥ 1.25	≥ 1.00	≥ 1.25	
Property Debt Coverage	NA	NA	see below ¹⁰					
Proforma Owner's Equity	Uses Current OE ≥ (estimate 40-50%)	≥ 60%	≥ 50%	≥ 60%	≥ 50%	≥ 40%	≥ 50%	
Minimum Loan Size	\$1	\$1	\$1	\$1	\$1	\$1	\$100,000	
Maximum Loan Size	\$1,500,000	\$3,000,000	Depends on acres & borrowers cumulative balance (ranges from \$12.6 million to \$50 million)					
Maximum LTV	55% of bare land value ⁸	55%	60%	60%	70%	45% LTV with FMAC; combined up to 85%	50%	
Improvement value must be less than ___ of appraised value:	40%	40%	60%	60%	60%	40-60%; will depend on situation	Improvements (exc. Irrig) will not be counted toward LTV calculation	
Minimum Credit Score	about 720 for all borrowers ⁹	720 for all borrowers	680 for all borrowers					
Term in Years	up to 30 yrs	up to 30 yrs	up to 30 yrs	up to 30 yrs	up to 30 yrs	up to 30 yrs	up to 30 yrs ⁶	
Amortization	up to 30 yrs (some balloons available)	up to 30 yrs (some balloons available)	up to 30 yrs (some balloons possible)	up to 30 yrs (some balloons possible)	up to 30 yrs (some balloons possible)		up to 25 yrs ⁶	
Cashout Limitation	No limitation on use of funds	No limitation on use of funds	≤ 10% ¹¹			No limitation on use of funds	Funds must be used for Ag or Business purpose	
Other	⁸ Some improvements/fixtures are allowed on the collateral, but the 55% LTV calculation will be based off of the bare land value for AgXpress (though we can include irrigation items). ⁹ Credit bureau does not need to be provided with AgXpress ~ it will be pulled upon submission to us. If any recent late pays or judgements, collections, bankruptcy, etc (even if paid), we may need to consider other options. No Cross-Collateralization is allowed. Owner(s) of the land must be borrowers. Payment Frequency: Must be Semi-Annual, Quarterly or Monthly.		⁷ Proforma payments are applied to the historical 2-year average cash available to calculate TDC.		¹¹ FMAC has re-defined cashout to be non-business items, non-business debt, closing costs and cash going directly to the borrower. Existing business debts (oper. Loans, eqmt loans etc.) are not considered part of the cashout as of 8-1-18. If more than 10% cashout is requested, the max LTV is 60% and max 15 yr amortization.		1st lien with FMAC, with 2nd lien required by FSA/govt agency 2nd lien loan must constitute ≥ 25% of the gross loan balance	Projection must show RLOC repmt over term of loan ⁶ Term = Revolving draw period + amortization
Items needed for approval:	Completed & signed application/authorization	Completed & signed application/authorization	Completed & signed application/authorization					
	UCC Searches should be provided to us	Credit bureau & UCC searches should be provided to us (dated within 90 days of submission)	Credit bureau & UCC searches should be provided to us (dated within 90 days of submission)					
	Recent balance sheet	Current balance sheet w/ verifications , dated within 90 days of submission, and proforma	Current balance sheet w/ verifications, dated within 90 days of submission typically, and proforma balance sheet					
	Brief understanding of request	Brief narrative	Full narrative					
	Most recent tax return	Most recent 2 yrs tax returns w/ recent wage verifications	Most recent 3 yrs tax returns w/ current wage verifications					
			Most recent 4 year-end bal sheets (plus current balance sheet noted above)					
			Projected income/expense statement					

Additional details, comments, records, etc., may be requested to understand & support the historical and/or projected data.

**This grid is a guideline and is subject to change. Please contact Dakota MAC for inquiries regarding specific transactions.*