

BASIC UNDERWRITING STANDARDS

	<u>Fast Track Loans</u>	<u>Fully Underwritten Loans</u>
Loan Size:	Up to \$1,500,000	\$250,000 to \$50 Million
Loan to Value	Up to 55%	Up to 70% (60% in 9 Midwest States)
<i>A reduction in LTV may be required, based on loan size, security type or financial qualifications.</i>		
Current Debt Coverage: (CA/CL)	1:1	1:1.25
Total Debt Ratio (TL/TMVA)	<40%	<50%
*Total Debt Coverage	1:1 2 Years Tax Returns	1.25:1 3+ Years Tax Returns (1.50:1 with LTV >60%)
Credit Report with Fico	720	680
Facility Loan	No	Yes
Interest Rate Pricing	Standard Only	Standard or Choice
Permanent Plantings	Yes	Yes

*Total Debt Coverage is determined by the following:

Numerator	Denominator
Net Farm Income	Principal & Interest on current/noncurrent debt
+ Depreciation	+ Capital lease payments
+ Interest on current/non-current debt	
+ Capital lease payments	
+ Net off-farm income	
- Living Expenses (\$15,000 per adult - \$10,000 per dependent minimum)	
- Income taxes and Social Security taxes (Total Tax on 2 nd page of 1040)	