



Finance Authority

ATTENTION!

Instructions for completing Exhibit A to Promissory Note and Bond for the BEGINNING FARMER LOAN PROGRAM (BFLP)

1. Please TYPE or write legibly the information needed to complete the attached **Exhibit A**. This form will become a part of the Promissory Note and Bond furnished by the Authority. Therefore, it is very important that the Exhibit A be neat and readable.
2. Please insert the appropriate **Loan Date (Closing Date)** and **Security Document Dates**. This information will be verified with you by our office before mailing out the closing documents.
3. Also insert the current information with regard to this project on the attached **Loan/Contract Data Sheet** before mailing it back to the Authority.
4. Please include an amortization schedule, with interest commencing on the anticipated closing date, to assist our attorney's office in completing the Exhibit A to the Promissory Note.



Important!

VALUATIONS AND APPRAISALS

If not already submitted, a valuation for all structures, machinery, livestock, etc. being financed with this loan should be returned with the Loan Data Sheet. If the purchase is for a bare tract of land, then no appraisal is needed unless it is a close relative sale.

If there is a house and/or outbuildings, then an appraisal with separate inventory values (cost approach) is needed for each building and the land values.

Please itemize the value of each structure on the property. A "lump sum" value for all structures cannot be used.

The above items will need to be returned to the IADD office at least two weeks prior to your scheduled closing date. The documents can be emailed, faxed or mailed in.

**EXHIBIT A
TO PROMISSORY NOTE
AND BOND**

Project No.: _____ Principal Amount: \$ _____

Loan Date (Closing Date): _____

Lender: _____

Borrower: _____

INTEREST RATE:

A. FIXED RATE (If the interest rate is to be fixed during the entire loan term, complete this part.)

Interest Rate: _____ % per annum

B. VARIABLE RATE (If interest rate will adjust at any time during the loan term, complete Part B.)

The Interest Rate will be _____ % per annum

from the Loan Date until _____

and will be adjusted _____

to be equal to: (check one only)

☐ _____ % above the announced prime rate of _____

☐ _____ % of _____

as the same may be on the date of adjustment.

C. Prior to maturity or default, the interest rate on the unpaid balance shall not exceed _____ % or be less than _____ %.

PAYMENT TERMS: Length of loan: _____ years.

Said principal and interest to be paid as follows:

_____ principal and interest payments of \$ _____, beginning on _____,
and continuing each _____ until maturity of _____.

This is a variable rate loan and the payment amount may adjust when the rate
adjusts to keep the note on a _____ year amortization. All outstanding principal
and interest shall be due and payable at maturity.

SECURITY DOCUMENTS:

☐ Security Agreement _____ dated _____, 20____.

☐ Real Estate Mortgage _____ dated _____, 20____.

☐ Deed of Trust _____ dated _____, 20____.

☐ Contract Assignment _____ dated _____, 20____.

☐ Other: _____ dated _____, 20____.

☐ Other: _____ dated _____, 20____.

LOAN / CONTRACT DATA SHEET

INFORMATION FOR COMPLETION OF BOND DOCUMENTS FOR THE BEGINNING FARMER LOAN PROGRAM

1. Project No.: _____ Proposed Date of IADD Closing: _____
2. Was interim financing done? ☐ Yes ☐ No, **If yes**, Date of Interim financing: _____
3. Amount of Bond: \$_____ Total Cost of Project: \$_____
4. Borrower: _____ Spouse: _____
 Borrower's Address: _____
 City: _____ Zip: _____ Telephone: _____
5. Lender/Contract Seller: _____ Spouse: _____
 Lender/Seller's Address: _____
 City: _____ Zip: _____ Tel: _____ Fax: _____
 E-Mail Address: _____
6. Contact Person for Lender/Seller: _____
 Address: _____
 City: _____ Zip: _____ Tel: _____ Fax: _____
 E-Mail Address: _____
7. County (location of project): _____
8. Description of Project: Describe in reasonable detail the Project proposed to be financed, including an itemization of all buildings, other structures, site improvements, and major pieces of equipment:
9. Bond Participants: (If seller intends to sell off, participate in, or otherwise dispose of any or all of its interest in the bond. If none, write "none.")

<u>Name of Participant</u>	<u>Amount</u>
_____	_____
_____	_____
10. Other Principal Users: (If none, write "none.") The following is a list of persons or businesses expected to be users of 10 percent or more of the Project in addition to the Borrower:

<u>Name of Other Principal Users</u>	<u>Tax ID # or Social Security #</u>
_____	_____
_____	_____