

	FSA	FAMC - AgXpress	FAMC
Credit Score	650	720	680
DSCR	1.05	none noted	1.25
Loan To Value	less or equal 80%	maximum 65%	less than 70%
Debt To Asset (preferred)	50% or less	40% - 50%	40% - 50%
Loan Amortization (RE)	up to 30 years	up to 30 years	up to 30 years
Current Ratio (preferred)	1.00 / positive	1.25	1.25
Loan Limits (\$)	\$2,343,000	\$5MM maximum	\$50 MM*

*subject to other factors / requirements

** Farm Credit Western Oklahoma mirrors FAMC (FarmerMac) requirements

On FSA loans we like to see "skin in the game", meaning the customer has some of their own money or real estate equity on the line. History has shown us that the closer to 100% financing FSA can allow, those are the loans that typically go bad. If things do not go as planned and the customer doesn't have their own money on the line, there is nothing stopping them from walking away from the farm. The one exception to this is utilization of a Beginning Farmer Program or Joint Financing. We do actively support these programs as the 1st mortgage provides a low LTV (around 50%) with the guaranty on the loan and FSA in a subordinated position.

We don't allow "no downpayment" on any facilities (hog, dairy, poultry, etc. unless there is an equity pledge of real estate). Facilities can rapidly depreciate and get in disrepair with a lack of maintenance, etc., especially if cash flow is a problem. If a loan gets into a bankruptcy situation that is protracted, that can greatly affect the collateral value on facilities as well.